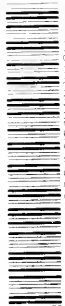


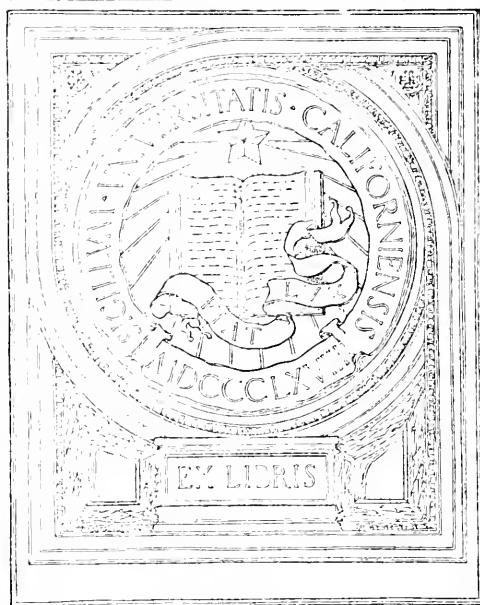
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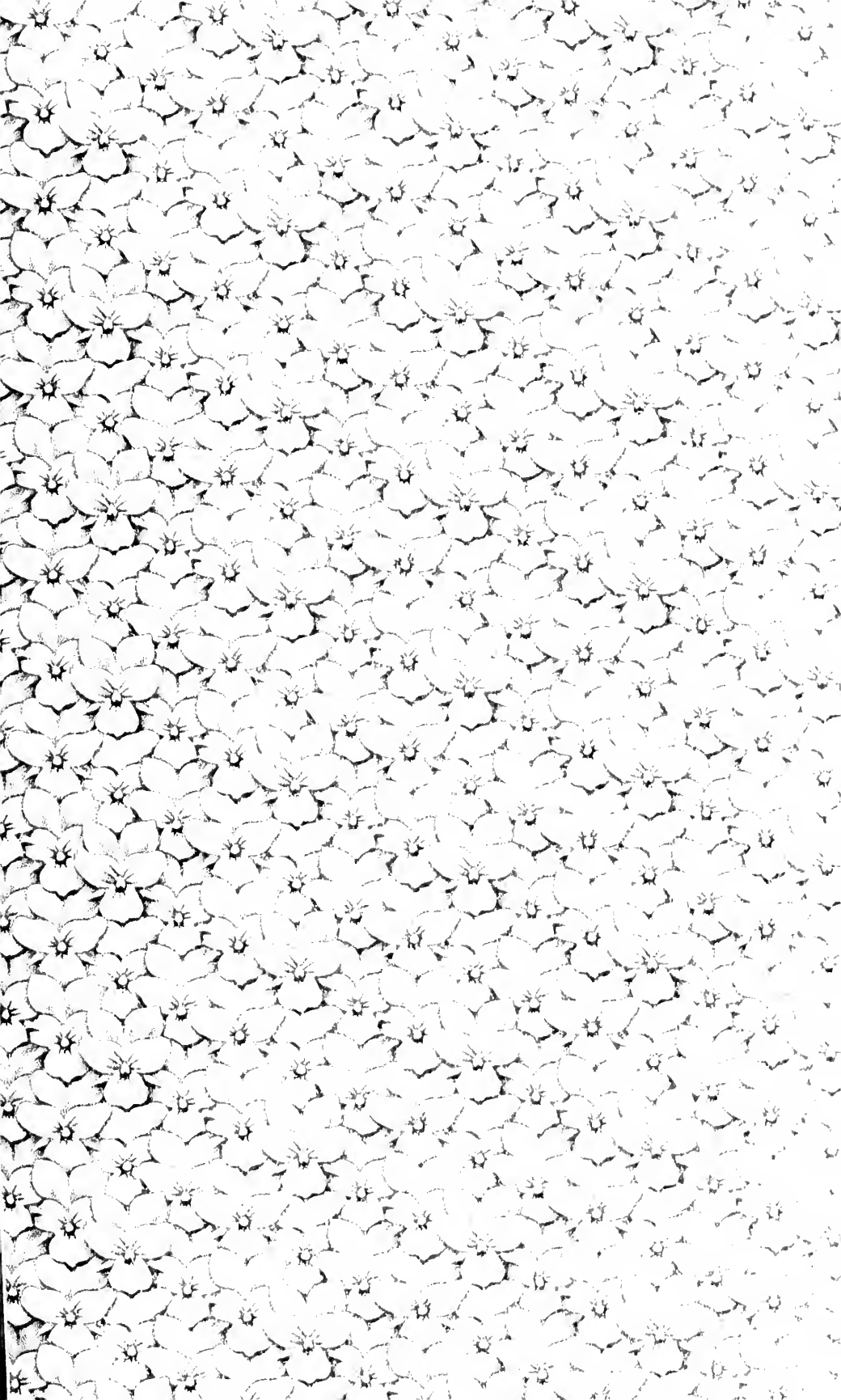


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THE RIGHT HON. THE EARL OF ROSEBERY, K.G., K.T.

CHAPTERS IN THE HISTORY  
OF THE  
Manchester Chamber of Commerce  
BY ELIJAH HELM;  
AND  
AN ADDRESS  
BY THE RIGHT HON.  
THE EARL OF ROSEBERY, K.G., K.T.,  
ON THE OCCASION OF THE  
CENTENARY CELEBRATION.

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## PREFACE.

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IN the course of the year 1895 it was discovered that some old minute books and papers in the possession of the Manchester Chamber of Commerce were the records of a Commercial Society, founded in 1794, of which it was itself a continuation. Subsequent examination of these archives showed that they were of much historical value, and that there were similar bodies existing at Leeds, Halifax, Exeter, and Birmingham, which had also exercised a not unimportant influence upon commercial developments at the close of the eighteenth and in the earlier years of the nineteenth century. Only in the case of Manchester are the records of that period known to have been preserved.

More than a hundred years had then passed since the founding of the original body, but it was thought that the Centenary of the Chamber might not inappropriately be marked, even after the proper date, by a public celebration. An invitation was accordingly addressed to the EARL OF ROSEBURY, and accepted by him, to deliver an address on some topic suitable to the occasion. The subject, happily chosen, was that of Free Trade, and the address itself, which was highly appreciated at the time of its delivery, enriches the present volume.

The writer much regrets the long delay which has occurred in the publication of the book. It has been

prepared in the scanty intervals of a busy official life, with as much despatch as the laborious nature of the work and its frequent interruption would allow. Many contemporary documents and historical books have had to be searched in order to throw light upon matters often dealt with obscurely or but allusively in the minutes and correspondence of the Chamber, and to give fuller interest to others. It is hoped that the Chapters, imperfect as they are, may not be unacceptable to readers beyond the limits of that portion of the public specially interested in commercial and industrial affairs.

E. H.

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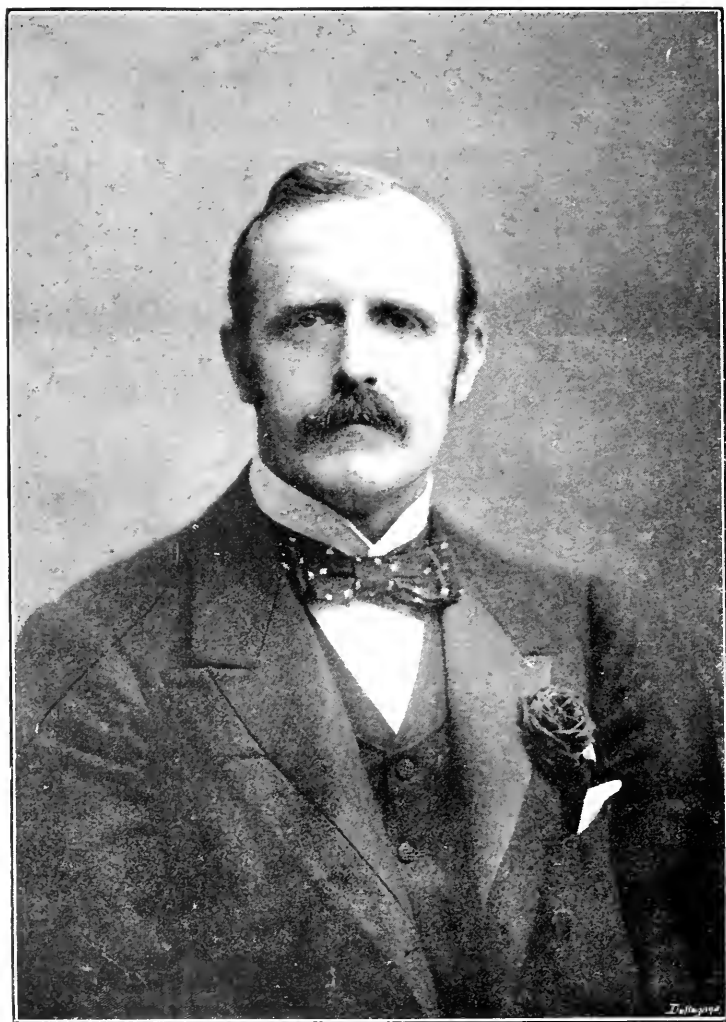
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W. H. HOLLAND, M.P.

*President of the Manchester Chamber of Commerce, 1896-1897.*



# CHAPTERS IN THE HISTORY

## OF THE

# Manchester Chamber of Commerce.

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### CHAPTER I.

The Chamber founded in Eventful Times—Prevailing Notions of Commercial and Industrial Policy—Manchester in 1794—Modes of Transport—The Cotton Industry—The Peel Family.

THE records of the Manchester Chamber of Commerce go back to the year 1794. In February of that year there was founded a "Commercial Society," consisting of merchants and manufacturers trading with the Continent of Europe. The India and China trade was then a monopoly in the hands of the East India Company; the East Mediterranean trade was held by the Levant Company, and that of Manchester with the Western hemisphere was conducted by firms who did not at first join the Society. On the establishment of the Chamber of Commerce in 1820, the archives and funds of the older body were transferred to the revived organization, several of the earliest members having taken part in the work of its predecessor.

The objects of the Commercial Society, set forth in the preamble to its rules, adopted at an adjourned meeting held on February 27th, 1794, were:—(1) To resist and prevent, as much as possible, the depredations committed on mercantile property in foreign parts, detect swindlers, expose chicanes and persons void of principle and honour in their dealings; (2) To adopt such regulations as may tend to the benefit of their trade, add to its safety, and promote more regular payments; and (3) To watch over the interests of their trade at large, and

co-operate jointly in all applications to Government, or in any measure which may, from time to time, be thought necessary for the good of the whole.

The first-named of these objects—that of “preventing depredations, detecting swindlers, and exposing persons void of “principle and honour”—was to be carried out by the entry in a “black book” of the names of houses abroad who had been found entitled to the dishonour. It appears that only a single firm attained this unenviable distinction, and its name was erased after due reparation had been made. Possibly there was a great improvement in the commercial probity of foreign customers after the establishment of the Society, or—what is more likely—work of a different and, in some respects, larger kind was found for it.

The times were, indeed, highly eventful. Movements—political, industrial, and commercial—of the most momentous importance were going on, which very soon called for the active attention of the Society. The French Revolution of 1789-92 had set Europe in a blaze, and as we shall presently see, business with the Continent, which was then the main portion of the foreign commerce of Manchester, was beset with the most formidable difficulties. Probably the political and financial disorder and distrust consequent upon this great upheaval were the original cause of the “depredations” and irregularities which the founders of the Society attributed to pure dishonesty and want of honour. Then, too, a number of great discoveries and improvements were in progress, converging upon the cotton industry, which were destined to change the entire face of the counties of Lancashire, Yorkshire, Cheshire, and Derbyshire, and to shift the centre of population from the south to the north of England. Already the inventions of Arkwright, Crompton, and others had revolutionized the manufacture of textiles, and the steam engine had just been introduced which was about to transfer the industry from the watercourses to the coal fields. Hardly less important was the discovery, in 1793, of the cotton gin of Eli Whitney, which marked the beginning of the now gigantic growth of cotton in the United States.

As early as in the first half of the seventeenth century, Manchester had become the centre of an important hand-loom textile industry. Besides woollens and silks, goods were made of which

the warp consisted of linen yarn imported from Ireland, Scotland, and the Continent, whilst the weft was either linen or cotton. The raw material of the latter was brought from Cyprus and Smyrna to London, and thence to Lancashire, where it was spun by hand on the single spindle frame. As yet no method of spinning cotton yarn of sufficient strength to be used as warp had been found, and such purely cotton goods as were sold in this country or exported came, for more than a century, from India, through the sole agency of the East India Company, and were disposed of at periodical sales in London. In the year 1700 the import of printed cotton goods from India was prohibited, but uncoloured cotton cloths were still admitted. The prohibition was enacted in the supposed interest of the woollen manufacture of this country, and was advocated by a number of writers, who saw in the invasion of Indian cotton fabrics the ruin of the British woollen industry. Daniel Defoe wrote:—"The general fansie "of the people runs upon East India goods to that degree that "the chints and printed calicoes which before were only made "use of for carpets, quilts, &c., and to clothe children and "ordinary people, became now the dress of our ladies, and such "is the power of a mode as we saw our persons of quality dressed "in Indian carpets, which, but a few years before, their chamber- "maids would have thought were too ordinary for them." But even the Act of 1700 did not stop the practice of wearing prints, for British calico printers managed to supply abundantly the demand for them, and in 1712 an excise duty of 3d. per yard, increased in 1714 to 6d., was imposed on all cotton prints produced in this country. Still the popularity of these goods survived, and in 1720 the wear and use of all coloured fabrics made wholly or partly of cotton were prohibited by Act of Parliament, except those which were dyed blue. The prohibition remained in force until 1736, when it was so far relaxed as to allow the printing of goods made from linen warp and cotton weft. Whilst the Act of 1720 was in force, however, linens were regularly printed and dyed.

These efforts to control manufactures and trade are an illustration of the principles accepted, at the time of which we are writing, as the basis of commercial legislation in all civilised countries. It is true indeed that in 1776 Adam Smith had published his great work, the "Wealth of Nations," the

fruit of thirteen years' labour, and of many more years of study at home and in France. He there demonstrated that it was not merely natural difficulties of production and transport which hindered the material progress of the nation and the world, but also the perverse action of Governments and communities because of their ignorance of the nature of wealth and of the ways of attaining it. His book fell flat; few read it, and fewer still could appreciate its teaching. Fox, the leader of the Opposition, declared that he could not understand it. There was one man, however, the most powerful man in Britain at the turning point of the eighteenth and nineteenth centuries, upon whose mind Adam Smith's economic ideas made an immediate and lasting impression—William Pitt. The two men had met and conversed on these subjects soon after 1776, if not before, and one result of their conference was seen in the treaty of commerce with France of 1786, an agreement hardly less liberal than Cobden's more famous convention of 1860. Its beneficent influence was prevented, however, by the disorder attending the French Revolution of 1789. Another outcome of Pitt's conversion by Adam Smith was the clause inserted in the Act of Union with Ireland of 1800, by which the heavy Customs duties then strangling the trade between Great Britain and Ireland were abolished. In a later chapter it will be shown that an attempt to postpone the application of this clause was frustrated mainly by the efforts of the Manchester Chamber of Commerce. One knows not how vast and far-reaching might have been the commercial and social progress resulting from the adoption of Adam Smith's ideas if Pitt and his colleagues had not, in an evil hour, been persuaded to plunge into the sea of political troubles which a long course of iniquitous administration had created in France and other parts of Europe.

But in the earlier years of the Commercial Society Protectionism was dominant and unquestioned in the minds of the great mass of intelligent people of all ranks and classes. It will be no surprise to find, therefore, that for some years, and down to 1801, the records with which we are dealing afford instances in which the prevailing views of commercial policy coloured and guided the conduct of the Chamber. When, however, in the first twenty years of the present century, the teaching of Adam Smith had begun to penetrate the intelligence of reflective men, it became

deeply imbued with the doctrine of Free Trade, which supplied the seed-bed in which the Manchester School was propagated and reared.

About the middle of last century the average annual imports of cotton did not exceed 1,800,000 lb., whilst those of linen yarn from Ireland alone were nearly 2,500,000 lb. But between 1764 and 1770, the spinning jenny, which produced weft, and the water frame, which spun warp, both on machines of 30 or more spindles each, were introduced. In 1773 the first piece of calico made entirely from cotton was woven; but weaving was still carried on upon the hand loom, and it was not until the early years of the present century that manufacturing by means of the power loom became, after much effort and repeated failures, a success. Meanwhile, the first steam engine used in the cotton industry was erected, in 1785, at Papplewick, near Nottingham, and the second, in 1789, for Mr. Drinkwater, of Manchester, who had a cotton mill opposite the Royal Infirmary, near the corner of the present Oldham Street. Thus the beginning of the records of the Chamber coincides approximately with the series of inventions—the cotton gin, the spinning jenny, the water frame, the steam engine, and the power loom—from which the varied trades and industries of the textile manufacturing districts have grown to their present enormous magnitude.

Between the Manchester of 1794 and that of to-day there is in every respect the widest difference. The extent of this difference it is possible to realize distinctly by a little steady attention to a few prominent particulars of the civic, industrial, and commercial life prevailing in the locality at the close of the eighteenth century. There was then no representative municipal government. Local affairs were under the control of the Boroughreeve, appointed by the Lord of the Manor, and two Constables. Except in the newer parts, the streets were of irregular width, and most of the houses, shops, and warehouses were built of wood and bricks, covered with plaster worked in patterns, many-gabled, and often with mullioned and latticed windows. Market Street was then Market Stead Lane—"Stead" being the equivalent of "Place"—and its name was derived from the Market Stead, or Market Place, the space in front of the present Royal Exchange tower. Near the top,

Market Stead Lane was not more than fourteen or fifteen yards wide, from building to building. At the end of Fountain Street it widened out to a little more than its present breadth, and then gradually narrowed, in an irregular fashion, until at the lower end the width was not more than five yards. The original Exchange, built in 1729, stood in the Market Place on a site now partly covered by the gas lamp opposite Exchange Street. At that time there was no visible opening from Market Place into St. Ann's Square. A line of low-gabled houses and shops faced the Exchange with their backs towards St. Ann's Square, to which access was gained, on the right, through a flat-topped opening leading into a courtyard, and thence by a narrow passage called Dark Entry. In one of these the meetings of the Commercial Society were held. A similar passage led through a space called Ackers—or Acre's gates, into the square, the site of which was originally a part of the plot called "Acker's Field." The Exchange building of 1729, erected by Sir Oswald Mosley, then Lord of the Manor, served the purposes of a meeting place for manufacturers and merchants, sessions and manor court-house. In 1775 it was resolved, at a public meeting, to widen the Old Millgate, St. Mary's Gate, and the passage leading from the Exchange to St. Ann's Square. These improvements were carried out at the cost of a fund raised by voluntary contributions amounting to £10,771. Thus the present Exchange Street was formed, although it was at first very narrow. In 1794 most of the streets and passages of the town were confined and irregular. Only a narrow lane led from St. Ann's Square to Deansgate, and the lower end of King Street stopped at Police Street, access thence to Deansgate being obtained only by scanty roundabout passages. Fountain Street, Mosley Street, York Street, and Oldham Street had been formed or projected but a few years earlier. The roadways were ill-paved, and almost everywhere the sidewalks were narrow. Population and trade had been steadily increasing, however, and much inconvenience arose from the crowding of the thoroughfares with vehicles and passengers, not to speak of the encroachments caused by the occasional temporary cumbering of the thoroughfares by merchandise. Accidents, sometimes with fatal results, were not infrequent through the pressure of traffic. Yet it was not until 1821 that further substantial street improvements were made, an

Act of Parliament having been obtained in that year for opening out Market Stead Lane to the present width of Market Street, and for other similar, though much less extensive alterations, the entire cost being about £200,000. By a previous Act, passed in 1791, powers were taken for lighting, watching, and cleansing the town, as well as for levying a police rate of 1s. 3d. in the £. The administration of this measure was conferred upon the Boroughreeve and Constables, the Warden and Fellows of the Collegiate Church, and the owners and occupiers of any buildings of the value of £30 a year. Under this primitive municipal body, called in the Act Commissioners, both the towns of Manchester and Salford were placed, a precedent which advocates of the amalgamation of the city and borough are not likely to overlook. The rateable value of Manchester about this time may be inferred from the fact that the poor rate of 1794, at five shillings in the £, realised only £9,270. In that year also the post-horse duty for the district of Manchester, which was farmed, was let for £7,640. The Post Office, then situated in the Market Stead, was conducted by a lady, assisted by two clerks, and its gross receipts in 1790—£11,000—were said at the time to exceed those of any other provincial centre.

After the original Exchange building was taken down, in 1792, merchants and manufacturers met in and about premises close to St. Ann's Passage, the flagged space between which and the Church being still called, as the official name on the wall shows, "Old Exchange." It was not until 1806 that the erection of a permanent building, devoted exclusively to wholesale commercial business, was begun. This was placed upon part of the site of the existing Royal Exchange, and was completed at the close of 1808. It was originally intended to combine the supply of refreshments with that of other amenities more strictly in accordance with the purposes of the institution. A "bar-keeper"—the predecessor of the "Master" of later times—was appointed, whose duty it was not only to take charge of the Exchange, and supply and preserve files of newspapers, but also to provide waiters. His catering duties were abolished in the succeeding year, but a memorial of them survives in the name—"the bar"—yet given to the space allotted to the attendants of the Royal Exchange. Another important official of the Exchange of 1808—the "Porter"—was adorned with a laced cocked hat,

a dark blue cloak-coat trimmed with gold lace, and a staff with a silver head. In the first year after the opening of the new building—1809—the number of subscribers was 1,543. Small as the number of frequenters of the Exchange at that time appears in comparison of that of to-day—nearly 8,000—it far exceeded the expectations of the founders, who, within a few weeks after the opening, found that the space provided was insufficient, so rapid had been the industrial and commercial growth in these districts, since the practical application and further improvement of the inventions already referred to. No steps were taken, however, for some years, towards enlarging the building.

In 1817, the first Manchester Gas Works were erected, near the present Lower King Street, and in the following year gas was used for lighting the Exchange, which, since 1814, had been illuminated by means of candles. A portion of the premises was occupied from the first as a Post Office, and in another portion the Chamber of Commerce held its meetings for some years. Various changes were made between 1808 and 1848 in order to extend the space available for subscribers, but it was not until the latter year that important structural alterations, equivalent to rebuilding, were made, resulting in the edifice remembered by many of the present generation as the “Old Exchange.” This gave place to the present structure, which, in successive halves, was opened in 1871 and 1874, occupying in part the site of the previous one.

One of the most striking of the changes brought about within the last hundred years is the revolution accomplished in methods of communication. In 1794, there were no railways, no steam ships, and, of course, no telegraphs. The opening of the Duke of Bridgewater's Canal from Worsley to Manchester in 1761, and the Sankey Brook Navigation about the same time, led to the construction of those artificial waterways which connect the Midlands with the Mersey, Humber, Severn, and Thames; and the year 1794 was characterised by a canal mania corresponding to the railway mania of 1846. This development of our internal waterways proceeded until 1830, when the railway idea began to take tangible form.

But a century ago merchandise was conveyed chiefly in wagons. It was in this way that some Manchester exports were



sent to Liverpool, and thence shipped to the Mediterranean or other ports. Those destined for Northern or Central Europe were forwarded by wagon to Huddersfield or Sowerby Bridge, and by the Aire and Calder Navigation to Hull.

The Commercial Society was frequently engaged in questions arising out of the transport of goods by inland routes. Still more frequently was it occupied in matters arising out of the war then going on between this country and France. Sea navigation was perilous for merchant vessels in the presence of the enemy's war ships and privateers. Troublesome questions of embargo, of convoys, and of seizures had to be taken up in rapid succession. The delays, disappointments, and losses occasioned by the state of war were the more embarrassing, because, after the fashion of those times, goods were prepared for periodical fairs on the Continent, and if they did not arrive in due time they had to be kept in stock until the next fair. All these incidents necessitated frequent correspondence and some interviews with members of the Government in London.

The state of the ordinary roads for wheeled vehicles, though somewhat improving, was very bad in 1794. Some notion of the difficulty of utilising them in Lancashire at the time when this sketch begins, may be gathered from the annexed extract from Arthur Young's "Tour in the North of England," published in 1770. He gives the following description of the turnpike road between Preston and Wigan:—"I know not, in the whole "range of language, terms sufficiently expressive to describe this "infernal road. To look over a map, and perceive that it is a "principal one, not only to some towns, but even whole counties, "one would naturally conclude it to be at least decent; but let "me most seriously caution all travellers who may accidentally "purpose to travel this terrible county to avoid it as they would "the devil, for a thousand to one but they break their necks or "their limbs by overthrows or breakings-down. They will here "meet with ruts, which I actually measured, four feet deep, and "floating with mud, only from a wet summer,—what, therefore, "must it be after a winter? The only mending it receives in "places is the tumbling in some loose stones, which serve no "other purpose but jolting a carriage in the most intolerable "manner. These are not merely opinions, but facts, for I "actually passed three carts broken down in these eighteen

"miles of execrable memory." Mr. McAdam's system of road-making was not introduced until about half a century after the time of Arthur Young's tour.

Most of the members of the Commercial Society of 1794 were "fustian" manufacturers and merchants. Others were "calico" manufacturers, or calico printers; others, again, were muslin, check, woollen, worsted, or silk manufacturers, or simply merchants engaged in home and foreign trade. The term "calico" was applied to goods made from linen and cotton, or cotton only, which were intended for printing; whilst that of "fustian" was very much more comprehensive. It was originally given to all kinds of fabrics of the heavier class produced from linen warp and woollen weft. During the period from 1720 to 1736, when the wearing and use in any way of printed and coloured calicoes made wholly or partly from cotton were prohibited, "fustians" woven from linen and cotton, as well as muslins and handkerchiefs, were exempted from the prohibition, and the word "fustian" was extended so as to include all other allowable fabrics of combined linen and cotton. Some of these, when printed, resembled so nearly the forbidden calicoes that doubts arose as to their legality, and in 1736 the printing of all such mixed cloths received parliamentary sanction, under a famous statute known as the "Manchester Act." The preamble of this measure states that "great quantities of stuffs "made of linen yarn and cotton wool have for several years "been manufactured, and have been printed and painted, within "this kingdom of Great Britain, and the said manufactures, so "printed or painted, are a branch of the ancient manufacture of "Great Britain." The term fustian had, indeed, in the latter half of last century acquired a meaning so wide that for many years it was used to denote all sorts of piece fabrics produced from cotton, or linen and cotton, except muslins, handkerchiefs, and calicoes for printing. It is for this reason that so many of the original members of the Commercial Society were designated fustian manufacturers or fustian merchants. Amongst the specific descriptions comprised under the generic name were, besides the fabric now known as fustian; velvets, velverets, herringbones, "pillows," "thicksets," "tufts," dimities, lining jeans, and even gingham, besides various descriptions of figured heavy goods. These were all woven in hand looms in the

surrounding country, especially in the neighbourhood of Bolton, which is still the chief centre of manufacture of the finer and heavier woven figured cotton fabrics. But there were also in and around Manchester important branches of industry engaged in the production of smallwares and hats.

The cutting of pile fabrics was chiefly done in Manchester, and was a home industry. Bleaching (then called "whiting") and dyeing were carried on upon the various rivers and streams in the neighbourhood, and at an earlier period there were several dyeworks in the space between the present Booth Street (then Tib Lane) and Peter Street, the requisite water being obtained from springs and wells, and the waste fluid discharged into the Tib. Numerous bleachers or "whitsters" had their works around Bolton, Pendleton, Whitefield, Prestwich, Blackley, Bury, Horwich, and Levenshulme.

Manufacturers of textiles, cotton, linen, woollen, and silk, settled in various parts of Lancashire, Cheshire, Derbyshire, and West Yorkshire, visited Manchester on the market days, and each had an appointed place of call at his own or some other warehouse, or office, as well as at a definite inn. Manchester was thus even a century ago much more a place for buying, selling, and finishing textile materials and manufactures than for spinning and weaving, although after the application of steam to these processes many important factories were built in the immediate locality, the abundant supply of cheap coal furnished by means of the Duke of Bridgewater's Canal favouring their establishment in the town.

Probably the most extensive of the businesses conducted by the members of the Commercial Society were those connected with the Peel family. The original Robert Peel, father of the first Sir Robert Peel, and grandfather of the famous statesman of that name, was living, in 1794, in a house which he had built in Higher Ardwick, then an outlying suburb of Manchester. Here his grandson, when a boy, frequently visited the old man. He had retired from active life, and the enterprises of his family were conducted by the first Sir Robert Peel, by his brother Lawrence, who also lived at Ardwick, and by their partners. Mr. Lawrence Peel was an active member of the Society, although he never became its President. The first Sir Robert was then living at Drayton Manor. It was greatly to his

industry and intelligence, whilst resident in Lancashire, that the calico printing and manufacturing businesses owed their rapid growth, although the novelty and popularity of printed calicoes furnished the indispensable basis of the enormous profits derived from their production.

Whilst deeply immersed in the conduct of his extensive enterprises, Mr. Peel had always been studious and reflective, and thought much about the connection between industrial and commercial activity and national greatness. Probably he had not, like Mr. Pitt, had the advantage of reading Adam Smith's "Wealth of Nations," and his ideas on economic questions were consequently a little obscure. He entertained the idea that a national debt was a national blessing, and published, in 1780, a pamphlet entitled "The National Debt productive of National Prosperity." This was written partly during his journeys between Bury and Manchester. In it he maintained that a domestic public debt, owed by the community at large to a part of the same community, cannot impair the aggregate wealth of such community, and that if a given sum, however large, were annually raised from the people to pay the interest of the debt, the same sum, being received by the public creditors, and laid out in the purchase of articles of necessity and comfort for themselves provided by national industry, circulates at home, and in its transit from one possessor to another gives birth to new sources and modifications of wealth. Mr. Peel was perhaps thinking of the stimulus to trade which results from bringing into circulation stores of money, previously hoarded, and of the immediate effects of enlarged public expenditure provided for by loans. Portions of this production may even now be read with advantage. The writer says, for instance:—"The extent of our "export trade ever did and ever will, in a great measure, depend "on the numbers of people in Great Britain that are in circum- "stances to consume foreign produce." And again:—"The "spoils of victory may, for a time, advance a people to the "summit of affluence, but prosperity acquired by the sword "will not bear either a reverse of fortune or a period of repose. "And when the supplies of the vanquished are at an end, the "source of wealth is dried up, and the trophies of war may "be viewed as monuments of departed greatness." The pamphlet is of interest chiefly because it is an indication of

that vein of thoughtfulness about national concerns which led Mr. Peel to resolve that his son Robert, who was born at Bury in 1788, should be trained for the life of a statesman. His earnest interest in public affairs was afterwards further manifested in his successful efforts, when in Parliament, on behalf of factory legislation.

In the pursuit of the purpose to educate his son for a life of national usefulness, Mr. Peel found time in the midst of his business engagements to attend personally to the training of his character, giving him also the advantage of education, first at Eton, and then at Christ Church, Oxford. When he retired from business his accumulations were estimated at £2,250,000. The various printworks with which he and his family had been connected passed into other hands—those in Rossendale to Messrs. Grant, those at Church Bank to Messrs. Fort, and those at Lowerhouse, near Padiham, to Messrs. Dugdale. Between 1788 and 1794, the Manchester warehouses of the various Peel firms which had been situated in St. Ann's Square and Cannon Street, were left for more commodious premises in Peel Street, behind Cannon Street, where they occupied Nos. 5, 6, and 10. After the removal of Mr. Robert Peel, who was made a Baronet in 1800, to Drayton Manor, his brother Mr. Lawrence Peel, became the representative of the family in Manchester, and his attendances at the meetings of the Commercial Society are recorded in its minutes with fair regularity.

Another active member of the Society, who became its President in 1795-6, was Mr. Thomas Richardson, of the firm of Richardson and Worthington, fustian manufacturers, whose warehouse was in Red Lion Street, the passage now leading from St. Ann's Square to Barton Arcade. In 1784, this gentleman, together with Mr. Thomas Walker, who afterwards reached a painful, though not dishonourable distinction, were the principal means of obtaining the removal of the unpopular "fustian tax." In that year, Mr. Pitt, then only 25 years old, had become Prime Minister. He entered upon an inheritance of national financial difficulty, the result of the war with the American Colonies, and immediately set about searching for fresh sources of revenue. Finding that whilst printed calicoes were subjected to an Excise revenue, other kinds of textile manufactures, made from cotton or linen, and cotton were

untaxed—woollens he dared not touch—he imposed an Excise duty on the multifarious descriptions, which, as already stated, were comprehended in the term fustians, besides a licence tax on bleachers, printers, and dyers. The new duty was 1d. per yard on all such goods if under 3s. per yard in value, and 2d. per yard on all above that limit. This “fustian tax,” as it was called, was imposed in 1784, and it immediately excited “great consternation” in Manchester and the neighbourhood. Fifteen firms, employing 38,000 persons, petitioned the Legislature against it, and the bleachers and dyers announced that “they were under the sad necessity of “declining their occupations until the next Session of Parliament.” No immediate relief was given, however, and so oppressive had the new tax become that on April 12th, 1785, many thousands of disemployed weavers from Oldham and other surrounding towns marched to Manchester, making there a demonstration of the distressful state of their industry. Meanwhile, Mr. Thomas Walker and Mr. Thomas Richardson were deputed to go to London, and lay before Mr. Pitt the results of his fiscal policy. On April 21st these gentlemen returned “express” to Manchester, reporting that the repeal of the fustian tax had been moved by the Prime Minister, seconded by Mr. Fox, the leader of the Opposition, and carried without a division. “The delegates,” we are told by a chronicler of the time, “alighted at the Bull’s Head in the “Market Place, which was filled with people. After a short “speech from Mr. Walker, the two deputies were placed upon “chairs and carried through the streets.” On the next day ladies and gentlemen appeared with “favours,” and on May 17th, after the Repeal Bill had received the Royal Assent, there was a great procession, after which a silver cup was presented to each delegate in recognition of his services.

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## CHAPTER II.

Shipping Arrangements—Proposed Commercial Treaty with Spain—Attempt to Stop the Export of Cotton Yarn—General Embargo on Merchant Shipping—Trade with the Italian Ecclesiastical State—Futile Attempt to obtain Admission of Manchester Goods into the Austrian Dominions—Rates of Inland Carriage in 1796—The French Armies in Italy—The Payment of Bills remitted from Italy—Order in Council thereupon—Confiscation of British Property at Leghorn.

THE earliest President of the Society, elected on March 6th, 1794, was Mr. Charles Frederick Brandt, merchant and cotton manufacturer, whose warehouse was at No. 22, Bond Street (now part of Princess Street). One of the first acts of the Society, after the appointment of the President, was to print 10,000 copies of a circular to be sent to foreign correspondents, informing them of the steps which had been taken to prevent the "unmercantile practices" complained of. The President undertook its translation into French, Mr. John Krauss into German, and Mr. G. C. Alberti into Italian. It appears that Exeter had then a considerable foreign trade, probably in the export of woollens, for on the application of Mr. Chas. F. Degan, of that city, it was ordered that a copy of the rules should be forwarded to him for the guidance of the Exeter merchants, who had expressed the intention of establishing a Chamber of Commerce on the lines of the Manchester body. A copy was also forwarded to the Society of Merchants at Leeds, with thanks for the assistance given in the founding of the Manchester Chamber.

Towards the close of March, 1794, there begins a correspondence, extending over several years, with Messrs. Thomas and William Earle, of Liverpool, with reference to the provision of ships by which the goods exported by the members of the Society were conveyed. The country was then at war, and, for reasons already stated, the "laying on" and manning of vessels were, at times, attended with considerable difficulty. This firm, the second member of which—William—died in 1788, was of high reputation and influence in Liverpool. Thomas and

William were sons of old John Earle, who in the first half of last century kept an ironmonger's shop in Castle Street. The father and sons occasionally joined in "ventures" to foreign countries, and means were accumulated enabling the latter to establish themselves as extensive shipowners and merchants, for they were proprietors of African "slavers" and other vessels going to the West Indies, whence they brought home sugar, rum, and coffee. After the death of his brother, Thomas Earle conducted the business, and the correspondence before us shows him to have been an active and energetic man. He took great pains to serve well his Manchester clients in providing ships, and looking after their cargoes, proceeding himself, upon occasion, to other and distant parts of the kingdom, in order to arrange business arising out of marine disasters or failure to fall in with convoys furnished by the Government. Between March and June, 1794, letters passed between the Chamber and Messrs. Earle, as well as with the Admiralty, respecting the detention of two vessels laden with Manchester goods for Spain and Italy, which had not reached Spithead in March before the warships appointed to convoy them and other merchantmen had left. In another case, a cargo, destined for Naples, and intended for a particular fair held in April, had been left at Leghorn, and urgent request was made to the Admiralty that one of the British warships then lying at Leghorn should be commissioned forthwith to accompany the vessel to Naples, in order that the goods might be in time for another fair, otherwise great loss would ensue, since they were mostly "for summer wear."

It appears that arrangements for the sailing of merchant vessels, under convoy, were frequently liable to postponement at the request of exporters at other English commercial centres. This delay was an occasion of so much inconvenience and loss to Manchester merchants that an effort was made to secure the founding of Chambers of Commerce in manufacturing centres where they did not exist, in order that concerted and binding agreements might be made to secure punctuality of sailing. It was thought also that the multiplication of such bodies would strengthen the hands of the Manchester Chamber in its endeavour to suppress the "unmercantile proceedings" previously referred to. Birmingham goods were then, as now, extensively exported from Liverpool, and a letter was sent by the President to a



leading merchant there, suggesting that a Commercial Society should be established in that town on the lines of the Manchester one.

On June 18th, 1794, the question of the then contemplated negotiations for a treaty of commerce with Spain was brought before a special meeting of the Manchester Chamber. Mr. John Hunter, British Consul of Seville and St. Lucca, was present by invitation, giving the members much information respecting the commercial condition of that country. The Spanish trade had formed the subject of a public meeting in Manchester in October, 1789, and a special committee had been appointed to further consider it. The documents in the hands of the Committee were now handed over to the Chamber by the gentlemen composing it, who attended for the purpose of giving the meeting the benefit of their experience. The proceedings are briefly recorded in the minutes. It was stated that in any negotiations with Spain the British Government could not entertain any proposals which would interfere with the then existing navigation laws. These, as is well known, were highly restrictive, and were founded upon the principle of conferring special privileges upon British shipping. It appeared also that in Spain the prohibition of imports of foreign manufactures was decreed in 1772, but that, the prohibition notwithstanding, about £150,000 worth of Manchester textile fabrics were exported annually as contraband to Spain. In the projected treaty these were to be admitted upon payment of duty at the rate of 20 per cent. Suggestions as to the treatment of Spanish produce imported into this country were also considered. It was thought that the duty on lemon juice, £3. 10s. 5d. per ton—equivalent to 3½d. per gallon—should be removed, as this article would be serviceable to dyers and calico printers. It was also suggested, as a further "favour" which might be conceded to Spain, in the course of the negotiations, that Spanish indigo and barilla might be admitted free of duty, since the indigo and the "marine alkali" of India were little inferior to the respective Spanish commodities, and answered the same purposes.

In the succeeding month, on July 3rd, 1794, a topic arose—the exportation of cotton yarn—which became a matter of keen discussion for a time. It was brought forward by Mr. Thomas Hutchon, of London, who was introduced to the meeting by

Mr. James Edge. It will be remembered that the inventions of Arkwright, Crompton, and others had for some years been steadily superseding the simpler and more costly process of hand spinning. English spinners had in fact, for the moment, a practical monopoly of the new methods, and English yarn was in great request on the Continent. Mr. Hutchon represented that if the exportation were allowed to go on, it was likely that serious injury would be sustained by British manufacturers of woven goods. Evidently, however, it was seen that the prohibition of the export of yarn was too hot a subject to be forthwith dealt with by a body in which the conflicting interests of spinners and manufacturers were both represented. It was therefore resolved, "in the present situation of the trade, to defer entering upon the business until the next meeting of Parliament, or some other matter [occasion] arising."

The question was not allowed to rest there, however, for on August 19th a special meeting was summoned upon the requisition of ten members, in which it was stated that "the recent instances we have of the alarming increase in the exportation of cotton twist, to the evident detriment of the manufactures of this country, render it highly necessary that no time should be lost in taking the same into consideration, and adopting such measures as may be thought expedient for the protection of our trade." Twenty-six members were present on this occasion, and after a full discussion of the points raised in the requisition, it was unanimously agreed:—"That the exportation of cotton twist is detrimental to the manufactures of this country." It was further determined that a memorial should be prepared on the lines of the resolution, and presented to Mr. Pitt.

It was not long, as might have been expected, before the cotton spinners of Manchester were roused by the action of the Commercial Society. On September 4th, 1794, the president announced that one of the partners of the Holywell Spinning Company had informed him that a number of respectable spinners desired to confer with the Society concerning the proposed prohibition of the export of yarn. It was thereupon arranged that the Conference should take place. Accordingly at a full meeting held on September 11th, the following spinners were present:—Mr. William Douglas, Mr. John Sedgwick, Mr. John Withington, Mr. Owen, Mr. Jonathan Beever,

Mr. George Lee, Mr. Samuel Marsland, Mr. John Alsop, and Mr. Douglas. For the information of these gentlemen, the resolution and correspondence just quoted were read. In support of them it was urged that neither an export duty nor total prohibition would injure the spinners, since the exported yarn merely took the place of that contained in manufactured goods made in this country and exported in that form. It would be even better for English spinners that the export of yarn should be prevented, for the continental manufacturers only took twist, weaving it with weft of their own production, and the goods thus produced competed effectually with those sent from this country, made entirely from English yarn. Without English twist continental manufacturers could not compete successfully with English goods.

To this argument it was replied that spinners could not regulate the supply of yarn to home requirements only, that whenever the supply became excessive they would be compelled, at great expense, to keep machinery idle; that, in fact, yarn was not exported until prices fell very low, and that the export would naturally cease as soon as the home demand revived. Becoming bolder, the spinners claimed that twist was a manufactured article, and that they had as good a right to export it as manufacturers had their woven goods. Lastly, the spinners contended that if continental countries could not get yarn from England, they would set up machinery, and spin it themselves. The deputation left, therefore, expressing their disapproval either of an export duty or of prohibition.

No further steps were taken in this matter until December 18th, when a special meeting was held to appoint a committee for the purpose of carrying out the resolution of August 19th. By this time the views of at least some of the Prohibitionists appear to have undergone a change. Mr. Nathaniel Crompton, who had taken a prominent part in their action, acknowledged that, "with more mature deliberation," he had come to the conclusion that it was inopportune to trouble Mr. Pitt on the subject, especially as he was already "in full possession of the business." Others thought that to check the export of an article employing so much capital and so many hands was a course which should not be taken except upon the broadest grounds of national interest. It was then proposed by Mr. Samuel Greg, seconded

by Mr. Lawrence Peel, and carried by nine votes to seven, that further consideration of the question should be deferred for six months. So ended, by a Parliamentary form of dismissal, this first and last attempt to stop the export of cotton yarn from the United Kingdom.

To the difficulty already mentioned, of obtaining ships and safe conduct for vessels proceeding to European ports consequent upon the war with France, a further one was added towards the end of February, 1795. By an Order in Council a general embargo was put upon the departure of trading vessels from British ports. Manufacturers and merchants in Manchester consequently found their foreign business thoroughly disorganized. Moreover, the winter and spring of 1795 were extremely severe; the canals and navigable rivers were frozen, and thus the principal means of access for merchandise to the ports were greatly impaired, and sometimes blocked. The work of the Commercial Society was, therefore, important and heavy. Mr. Thomas Richardson became President on March 5th, 1795. He proved a worthy successor to Mr. Brandt, bringing the same energy to bear upon the business of the Society which he had shown in securing, along with Mr. Thomas Walker, the repeal of the "fustian tax" in 1785.

An entry upon the minutes of a meeting of the Chamber held on March 23rd, 1795, is interesting, because it shows, as has been already stated, that in spite of the prohibition of imports of manufactures into Spain, Manchester goods were openly sent there as well as to Portugal. It also supplies a name—"velverets"—now disused, which was probably applied at the time to fabrics resembling, if not identical with, the "velveteens" of modern times. It appears that a vessel, the *Aquilon*, taking consignments from Manchester for the Spanish and Portuguese markets, had put into Falmouth, probably through stress of weather and damage to the cargo. The interests of the owners of the latter in Manchester were looked after by Mr. William Hadkinson. Some of the goods were landed at Falmouth, and Mr. Hadkinson reporting upon them writes, on March 19th, to Messrs. Richardson and Worthington, whose senior was President of the Chamber:—

I wrote you on the 11th inst., and have now to inform you that the *Aquilon* sailed last night with a fair wind, and I hope will have a quick passage. The

goods cannot be sold here until Messrs. Fox and Sons have received an answer from the Commissioners of Customs and Excise. They are of opinion that the damaged velverets will not sell to a loss, as they are much wanted at this port for the Spanish and Portugal markets. I have not a doubt but on a final settlement of the average, it will give satisfaction to all parties. The report of the *Mary* being taken, I think, is without foundation, as the vessels that sailed with her for Cadiz and Lisbon are all safe arrived.

Another minute of this meeting is worth mention. The price of raw cotton was then very high, the various qualities having risen, since 1794, from 25 to 50 per cent., and the stocks in Liverpool and London were unusually scanty. Some members of the Chamber appeared to think that it would be a proper course to memorialise the Government in favour of a prohibition of the export of raw cotton from this country. The proposal met with no favour, however, and its consideration was postponed *sine die*.

During the summer and autumn of 1795 the Chamber was almost incessantly occupied in communicating with the Privy Council, the Admiralty, and shipowners, both by letter and by personal interviews, for the purpose of securing vessels, arranging for convoys, and obtaining special orders for the removal of the embargo in each case. These orders were given, though not always without some delay, and in every case it was required that no seamen should be employed between the ages of 16 and 50 on such vessels, these being needed for the manning of the fleet. Correspondence was conducted also with leading merchants, or Chambers of Commerce, in London, Birmingham, Exeter, and other places, in order to ensure the due despatch of goods from these points to the ports of departure so as to prevent delay as far as possible in their shipment, and in the assembling at the rendezvous of the merchantmen and the convoys intended to protect them. It appears, in the course of this correspondence, that goods intended for winter consumption in Italy had to be shipped as early as in June in order to reach the fairs held at Salerno, Alexandria, and other trade centres, where they were disposed of by the wholesale merchants to retail dealers. The fair at Salerno, which was the most important of all, opened on September 15th. In the absence of a Chamber of Commerce in London, communications were conducted on behalf of the merchants there by Mr. John Turnbull, one of their number. The exports from London consisted largely of

spices and other produce from the East, brought to London by the East India Company, and sold there at the periodical sales. Sometimes the London merchants desired delay in the sailing of the convoys, in order that they might take advantage of these sales to export supplies to the Continent, but sometimes postponement was objected to by the Manchester Chamber because of the necessity of despatching textile manufactures in time to reach the fairs.

A further question of interest which engaged the attention of the Chamber about this time was "the obstacles to trade "with the Ecclesiastical State in Italy," and certain proposed endeavours to remove them. A copy of the following resolutions, adopted on August 26th, 1795, at a meeting of merchants in London, was submitted at one of its meetings:—

"*Resolved*,—That it is the opinion of this meeting, that the sale and consumption of the produce and manufactures of this country are capable, under present circumstances, of being greatly increased in the Pope's dominions, without prejudice to his own subjects, and very much to the advantage of those of England.

"That it is conceived, that at this juncture, from the situation of public affairs, and the favourable disposition of the Roman Pontiff, commercial arrangements might be made that would secure to this country the entire and exclusive supply of the various manufactures which the Pope's subjects are in want of, and which have been hitherto chiefly furnished from France.

"That the chairman be desired to submit the two preceding resolutions for the consideration of Lord Hawksbury, the President of the Committee for Trade of His Majesty's Most Honourable Privy Council, in order that his Lordship, if he should approve of the measure proposed, may have the goodness to give it that support as, in his Lordship's wisdom, may seem best to bring it into effect."

As the result of a consideration of these resolutions, the London merchants were informed that the Manchester Chamber would co-operate with them "in any measure likely to promote "so desirable an object" as the increase of British trade with the Ecclesiastical State. Thereupon a letter was addressed to Lord Grenville, who was Secretary for Foreign Affairs from 1791 to 1801. In reply, Lord Grenville, writing on September 14th, 1795, said:—"I shall be very glad to have "an opportunity of conversing with you, or with any of the "other gentlemen who can give me information on the subject; "and, in the meantime, I shall be obliged to you if you will let "me have a statement of the particular points most material "for consideration with a view to the objects in question."

This desire of Lord Grenville having been communicated to the Manchester Chamber, a minute was sent for presentation to him, containing the following proposal:—

“First, the admission of the manufactures of this country on equal terms with the most favoured nations; second, a reduction of duties on the admission of some articles, which duties, being extravagantly high, are as detrimental to the revenue of the Ecclesiastical State, by encouraging smuggling, as they are to us by diminishing the consumption which would otherwise take place; and, lastly, a more speedy decision of differences arising in the course of trade. At present chicanery may be carried on its utmost stretch by delaying judgment and obtaining revision of verdicts on the plainest and most trivial subjects. This last object deserves particular consideration, and if it was possible to hasten this negotiation, so that it might be carried on with M. Erskine before he leaves England, there is every reason to hope that it would be attended with success.”

The minute adds that delays and vexation have been repeatedly experienced in the Courts of the Ecclesiastical State, and that these had greatly discouraged the carrying on of trade therewith. It was further resolved that one or two gentlemen should be deputed to explain and support these recommendations, if necessary, at an interview with Lord Grenville. Letters were also sent to the Commercial Societies of Birmingham and Leeds, and to the Chamber of Commerce of Exeter, desiring them to join in the effort to secure the proposed treaty. The only recorded reply from these bodies is one from Mr. Joseph Green, the Chairman of the Birmingham Society, who expressed a desire to assist in obtaining the treaty, adding,—“We are not acquainted with the particular duties [on our goods], though too well with the delay of justice in our commercial concerns.” The projected treaty with the Pontifical State does not appear to have been concluded.

But the assistance of the Government in defending and promoting British trade was now sought in another and a more important direction. The partitioning of Poland between Russia, Austria, and Prussia had deprived English manufactures of a very considerable market in that kingdom. Manchester goods had reached Poland, chiefly through the periodical fairs of Leipzig, Frankfort, and other German towns, and the Chamber was rightly apprehensive that the previously existing freedom, or comparative freedom, of international trade with Poland would cease by the application of the heavy duties imposed on imports by the three appropriating Powers. In one direction,

at least, it was thought that these barriers to commercial intercourse might be lowered. The ruler of Austria was then Emperor of Germany, and it was resolved to approach the British Government with a view to securing this beneficial change. It was accordingly resolved on October 22nd, 1795, to forward the following memorial to the Privy Council for Trade:—

*The Memorial of the Commercial Society of Merchants and  
Manufacturers of Manchester:*

Humbly sheweth,—That for a series of years the various manufactures of the town and neighbourhood of Manchester had regular sales of considerable amount in Poland, as well as the respective fairs of Leipzig and Frankfort upon the Oder, and other places chiefly intended for the markets of Poland, and even for those parts of Russia that border on that kingdom.

But the lamentable troubles of late years subsisting in Poland have proved highly detrimental to these valuable markets, and the recent dismemberment of that unhappy country will, in its probable consequences, deprive your memorialists of very important channels for the necessary consumption of their manufactures, unless some means of prevention can be adopted by the Government of this kingdom with the Emperor of Germany, the Empress of Russia, and the King of Prussia.

And your memorialists further beg leave to observe to your Lordships that previous to the year 1785, considerable sales of their cotton manufactures were made in Austria, Bohemia, and Hungary, but since that period they have either been wholly prohibited or subject to such enormous duties as in effect amount to a prohibition.

Yet your memorialists being under an impression that the injuries they are likely to sustain from the unfortunate partition of Poland may be prevented, and confident of the advantages which would result to them, as well as the country at large, from an admission of their goods into the Emperor's dominion on moderate duties, your memorialists feel themselves impelled humbly to suggest their desirable objects to your Lordships' attention.

That the intercourse and mutual good understanding now existing between the Court of Great Britain and the Emperor of Germany, operate as an additional incentive to the present application, and cannot, as your memorialists humbly conceive, fail to afford a reasonable prospect of success in the attainment of the objects before mentioned.

Your memorialists therefore humbly pray that the premises may receive your Lordships' early and serious consideration, and if in the result any measures shall be adopted, your memorialists will hold themselves in readiness to attend your Lordships with such further information relative to their respective branches of trade as your Lordships may find needful to require.—And your memorialists as in duty bound shall ever pray, &c.

C. F. BRANDT.

In addition to the signature of Mr. Brandt, the ex-President, in the absence of Mr. Richardson, those of 46 members were added to the memorial, which betrays, it will be observed, a certain



sympathy with the people of Poland, very widely prevalent in this country at the time. It is evident that great importance was attached to this document, for by a special resolution it was ordered that it should be personally delivered to Mr. John Blackburn, a Lancashire member of Parliament, "by Mr. Brandt, Mr. Frodsham, Mr. Benjamin Potter, and "Mr. James Edge," with a request that he and Colonel Stanley, another Lancashire member, should present it "to the Lords of "the Committee of Trade."

It was not until its meeting of March 4th, 1796, that the Chamber was informed of the result of its memorial, and of the consequent application of the Government to the Emperor of Germany. The Emperor declined to entertain the proposal made to him, on the ground that compliance with it would be subversive of the interests of the German Empire, and would "entirely ruin" its cotton manufactures. The following letters in which this intelligence was conveyed are interesting:—

Thomas Stanley, Esq.,                      Office of Committee of Privy Council for Trade,  
John Blackburn, Esq.,                      Whitehall, February 27th, 1796.

Sirs,—The Lords of the Committee of Privy Council for Trade and Foreign Plantations having had under consideration a letter from Sir Morton Eden, His Majesty's Envoy Extraordinary and Minister Plenipotentiary at the Court of Vienna, to Lord Grenville, transmitted by his Lordship's directions, on the subject of the application of the Commercial Society of merchants trading to the Continent of Europe for the admission of their goods into the Emperor's dominions, I am directed by their Lordships to transmit to you a copy of Sir Morton Eden's said letter for the information of the merchants and manufacturers of Manchester.—I have the honour to be, sirs, your most obedient, humble servant,

W. FAWCNER.

Vienna, January 26th, 1796.

My Lord [Grenville].—Conformably to the orders transmitted to me in your Lordship's despatch of the 29th past, with a copy of the memorial presented to the Lords of the Committee of Privy Council for Trade by the Commercial Society of merchants and manufacturers at Manchester, I have made to the Government the necessary application for the admission according to the prayer in their memorial, of their goods into the Emperor's dominions, and I am sorry to inform your Lordships that my endeavours have been without effect; Monsieur de Thugert gave me an answer similar to that I received from Count Hollowrath in the year 1793, on my bringing forward, by your Lordship's orders, the proposal for the admission of our cotton goods into Hungary. He said that the granting the permission that I required would be subversive of the commercial regulations of this country, and would, from the superiority of our goods and the taste that exists for them, entirely ruin their own manufactures, which are very numerous throughout his I.M. dominions.—I have the honour to be, &c.

MORTON EDEN.

This correspondence was referred to a special Committee for its consideration as to the desirableness of taking further steps towards obtaining a reduction of import duties in Germany on Manchester goods. No minutes of the Committee's proceedings are recorded, nor is any further reference made to the subject. It may be assumed, therefore, that Sir Morton Eden's letter was regarded as shutting out all hope of success in this enterprise.

On March 4th, 1796, Mr. James Edge (Bradock, Edge, and Crompton) was elected President of the Chamber in succession to Mr. Thomas Richardson. Mr. Edge had very soon to deal with two or three subjects of importance requiring careful treatment. First came a requirement of the proprietors of the Aire and Calder Navigation of an increased charge of 2s. 6d. per cent. *ad valorem* on all goods conveyed to Hull from Sowerby, Salterhebble, and other wharves. The minutes and correspondence dealing with this question have little interest now, except the record of the rates of inland freight, which were at that time considered reasonable. These are given in the following schedule, attached to a proposed rival service offered by Messrs. Milnes and Co., of Dewsbury:—From Manchester to Hull, including land carriage [by waggon], 50s. per ton; from Hull to Manchester, 45s. per ton; from Sowerby and Salterhebble wharves to Hull, 28s.; and *vice versa* 23s. per ton. It is interesting to notice that in Messrs. Milnes' circular announcing the new departure, it was stated respecting the outward traffic from Manchester:—"The waggons will go from the warehouse "near Tib Street, Manchester, every morning, and arrive at "Huddersfield in the evening; and from Huddersfield every "morning, and arrive at Manchester in the evening (Sundays "excepted)." The prospect of formidable competition under the projected arrangement with Messrs. Milnes led to an entire abandonment of the intended increase of charges by the Aire and Calder Navigation proprietors, and even to a reduction of charges.

In the summer of 1796 the progress of the French army in Italy gave rise to serious apprehensions in Manchester and elsewhere as to the safety of the trade with that country. On July 20th, Mr. Turnbull, of London, informed the President that official intelligence had been received to the following effect:—

The first apprehensions of the French were entertained at Leghorn on the 24th June. A meeting was that day held at the Consul's of all the British

merchants, when it was resolved that all the British property should be shipped, at least all that could be removed, on board two frigates and several merchantmen then in the harbour. On the 25th and 26th they were employed to that purpose. On the 26th the French passed the night within 15 miles of Leghorn. On the 27th, in the morning, all the English and emigrants embarked, and proceeded to Corsica. Captain Freemantle writes:—"All the shipping, nearly the whole of the English property, and all His Majesty's naval stores and provisions have been saved, and every British person and emigrant desirous of leaving Tuscany has been brought on board some of the ships." An embargo will probably be laid on the merchantmen bound to Leghorn.

This information was communicated to a meeting of the Chamber, held on July 27th, and a letter was read from Mr. John Cole, of the Exeter Chamber of Commerce (probably its President), dated from the Star Hotel, Manchester. The writer said he was about to return to Exeter, and wished to know the views of the Manchester body upon the proper course to be pursued in view of the critical state of affairs in Italy. It was resolved that representations and inquiries should be addressed to the Government. The President was accordingly requested to write to Mr. Pitt, and to state that some houses in London had refused to honour bills drawn upon them from Leghorn "in consequence of that city being now in possession of the French." He was also to convey to Mr. Cole, for the information of the Exeter Chamber, a report of the day's proceedings, as well as to the Commercial Societies of Leeds and Birmingham, and to Messrs. John and Samuel Lees, of Halifax, on behalf of the merchants of that place.

The following is the correspondence which ensued with Mr. Pitt:—

Right Hon. William Pitt,

Manchester, July 27th, 1796.

Chancellor of His Majesty's Exchequer, London.

Sir,—At a special meeting held this day of the Commercial Society in this place, I, as President, was directed to address you on the subject of affairs in Italy, which would have been done by Memorial, or through the medium of our country members if they had not been in the country. I therefore flatter myself the urgency of the case will do away with the informality, and that you will not consider an apology necessary.

The merchants of this place trading to Italy are justly alarmed on being informed that some houses in London have refused to pay bills drawn upon and accepted by them in consequence of, and previous to the French taking possession of Leghorn, availing themselves of the Act of Parliament which forbids paying bills drawn from places in the power and possession of the French. The recent events in Italy have given a fatal blow to that part of our commerce, and if the above practice is not immediately discountenanced

by Government, the most serious consequences may be apprehended. We therefore trust you will in your wisdom adopt such measures as will remove the evil by issuing His Majesty's Royal Proclamation or licence similar to the one issued on the invasion of Flanders and Holland, or even with more extensive latitude, as Leghorn and other parts of Italy are the only medium through which we can receive the returns of our Corporations to that country. To say further upon this feud must be superfluous, as I am fully persuaded nothing on your part will be wanting to render us the desired relief.—I shall esteem the honour of your reply, and am, with the utmost deference and respect, your obedient and very humble servant,

JAMES EDGE.

James Edge, Esq.

Downing Street, July 31st, 1796.

Sir,—I received the favour of your letter written at the desire of the Commercial Society at Manchester, and am happy to be able to inform you that an order was made by His Majesty in Council on Wednesday (a copy of which I enclose), which I hope will in a great measure obviate the inconvenience apprehended. I shall be at all times happy to receive from you any communication on this subject, or on any other in which the commercial interest of Manchester may be concerned.—I am, sir, your obedient, humble servant,

W. PITT.

The Order in Council, a copy of which was enclosed in Mr. Pitt's letter is written in somewhat obscure language. Its purport is, however, tolerably clear. The Chamber had drawn the attention of Mr. Pitt to the injurious operation of an Act of Parliament, which forbade the paying of bills drawn from places in the possession of the French. In view of this Act some houses in London had refused to honour bills drawn upon them from Leghorn or endorsed there, and accepted by them previous to the capture of that port by the French army in Italy. The Order in Council legalised the payment of such bills, not exceeding three months usance, which were sent from Leghorn on or before the day on which the troops entered Leghorn. In case of legal proceedings being instituted against the payer, however, the proof that he had acted in accordance with the terms of the Order were to rest upon him. The relief thus afforded appears to have been not quite satisfactory to the Chamber, the matter having been taken up again a little later.

But other questions of importance, arising out of the progress of the French army in Italy, had now to be dealt with. What course was to be taken with the vessels and their cargoes which were about to sail, under convoy, to Leghorn? And what provisions were required in order to secure the carrying on of the Italian trade from Corsica, to which British establishments

and goods had been removed from Leghorn? Exeter appears to have had a substantial share in this trade, and the Chamber of Commerce there wrote on July 25th, 1796, inviting the Manchester Chamber to join in a request to the Government to detain vessels then waiting at Portsmouth, and other places of rendezvous. This course was approved of, and the services of the indefatigable and obliging Mr. Turnbull, of London, were again laid under contribution, in a representation to the Privy Council for Trade. This gentleman, writing on July 29th, stated that all vessels loaded in England for Leghorn were to be embargoed. The cargoes were to be deposited "in the King's warehouses" for reshipment to neutral ports, or to be handed over to the proprietors. The Commissioners of Customs were also directed to give all possible assistance in carrying out this arrangement. No embargo was to be laid on ships bound for Naples, but if occasion should arise, these would be detained either at Gibraltar or at Corsica.

Upon the other question, the transference of the Leghorn trade to Corsica, we have some interesting information in a letter from Mr. Turnbull, dated July 26th, 1796. After expressing the opinion that the British merchants, who had fled to Corsica, would decide to stay there during the continuance of the war, he dwells upon the importance of affording them all possible assistance and protection. Mr. Turnbull proceeds:—

"From Corsica, the markets in Italy, the Levant, and the African Coast may be supplied; and that island may be rendered a safe and useful *dépôt* for the manufactures of this country. To render it effectually so, the merchants of London are of opinion that free ports should be established in that island, or what would be more desirable, that the island should be made completely free. Duties, and very high ones at present, are imposed on the importation of most articles, which it is presumed should be entirely done away; and as the produce of any taxes that can be levied on the people of Corsica, in their present miserable and depressed state, cannot be conceived an object deserving of notice, after deducting the charges of collection, it is even much to be wished, as so much of British property will now be at stake in that island, that all taxes were abolished, so that the Corsicans might be interested to be attached to the English, from the consciousness of the superior advantages and happiness they enjoy under the British Government."

This letter was taken into consideration at a special meeting of the Chamber on July 30th, and a resolution was adopted authorizing Mr. Turnbull, on its behalf, to make representations to the Government in favour of establishing free ports in Corsica,

which had been placed in 1794, at the request of its inhabitants, under British protection.

At the meetings of the Chamber held in August and September, 1796, the disturbance of trade in Italy, the seizure of British property at Leghorn, and the inconvenience occasioned by the non-acceptance and non-payment of remittance bills from other places in Italy absorbed much attention. In a letter addressed to Mr. Pitt on August 8th, the President alluded especially to the insufficiency of the Royal Proclamation legalising the payment of bills drawn at Leghorn on or before the day on which the French army entered that city, for which, however, he expressed the "grateful sentiments" of the Chamber. Milan, Bologna, and other towns were occupied by the French, and the payment of bills drawn there was by a previous Order in Council forbidden under heavy penalties. "Leghorn," said Mr. Edge, "has long been the emporium of the Italian trade, and other "places in the interior remit through its medium for goods "exported from this country, which have been, of late, to a very "considerable amount, and with which long credit is given for "a great part thereof. Consequently considerable sums are "successively becoming due to the exporters. The Italian "merchants being debarred from drawing for the property they "have in this country has the effect of keeping British property "in Italy, deprives the manufacturers of the use of their capital, "and leaves them exposed to the depredations of an enemy whose "career has already been marked by destruction and plunder, "whilst the property of the Italian merchant in this country is "perfectly secured, not only by those wise laws which protect it, "but by the responsibility of the British merchant in whose "hands it is lodged." It was requested, therefore, that the payment of all bills "drawn from places which now are, or "hereafter may be, in possession of the French, payable to, "or endorsed to, British subjects, should be authorised, upon "declaration by endorsement or by note affixed, that such bills "had been received in payment for goods shipped from Great "Britain."

It appears that at this period no exchange existed between England and Naples, remittances to and from the latter country being probably made through financial centres in Northern Italy. These were in the occupation of foreign troops, and in a note

from Mr. Turnbull, dated August 16th, he stated that the merchants of London had agreed to establish a direct exchange with Naples, the rate having that day been fixed at 4rd. per ducat. It appears also that it was not then thought out of the usual course that communications should pass between merchants in England and the diplomatic representatives of other Powers resident in this country. Mr. Turnbull encloses a copy of the following communication to him from the Neapolitan Ambassador in London:—"We have, from the highest and most undoubted "authority [intelligence] that His Majesty the King of Naples "is now on his own frontier at the head of 237,000 men, of "which 45,000 are disciplined troops of the line, and the rest "armed militia, who have been exercised by the officers and "incorporated in the army. Independent of the above force, the "attachment of His Majesty's subjects in the two Sicilies has led "them to the number of 180,000 to offer themselves, but His "Majesty thanked them, desiring them to remain peaceably at "their homes, and to hold themselves in readiness in case they "should be wanted to repel any unexpected attacks from the "French armies."

As an illustration of the risk attending the exportation of goods to the Mediterranean consequent upon the French war, and to the then uncertain attitude of Spain in the great European conflict of the time, the following extract from a letter received by the Privy Council in London, dated Gibraltar Bay, September 3rd, 1796, from Captain Curzon, of the man-of-war *Pallas*, is interesting. It is entered in the minutes as having been forwarded through Mr. Turnbull from the Privy Council Office:—

"On the 30th the whole convoy arrived here protected by the *Aurora* and *Raven* sloop. Vice-Admiral Vandeput having immediately on its arrival at Lisbon got under way, and accompanied it with his squadron to the Streight's Mouth. Having considered the circumstances of the embargo, with other hostile appearances, and the early intelligence which could be conveyed to Carthage of the sailing of this convoy up the Mediterranean, and that if Spain is as seriously disposed to war they would not lose the advantage of depriving the British fleet of such a supply; and as I judged the force I could collect would not under the present circumstances be competent to the protection of the convoy, I sent the *Raven* immediately to the Commander-in-Chief for instructions; one of the vessels bound to Cadiz was taken and carried in there by a French privateer, owing, as I understood, to not paying attention to the Commander of the convoy. The masters of the ships bound to Naples for the Italian fairs have been very solicitous for convoy. They

said they could not wait if immediate convoy could not be had, and, therefore, made application through the Governor to be protected for about 40 leagues. As I could not countenance such proceeding, I refused any regular convoy, but desired Captain Bowen in the *Terpsichore*, who is cruising up the coast, to have a watchful eye over them if they were so imprudent as to go. Some of them are already gone."

Further light is thrown upon the troubles at Leghorn by the annexed letter from Mr. John Drake, who had important interests there, and who was then at Chester:—

Chester, October 31st, 1796.

James Edge, Esq.

Sir,—As a member of the British Factory at Leghorn, and being greatly interested for several friends as well as myself, I take the liberty of addressing to you some observations on the hardships sustained in consequence of the entry of the French, and some thoughts that have occurred to me on the subject of our application to Government to procure redress if possible. I shall feel myself much obliged if you will do me the honour to lay them before your Commercial Society, which I understand is to meet very soon. It would be useless to enter into a detail of all the occurrences that preceded the approach of the French army; these have been already officially related in the *Gazette*, but there is one circumstance which is not of public notoriety. I mean the issuing of the Proclamation by the Governor of Leghorn on the 25th June exhorting all persons to remain tranquil for that there was every reason to believe the neutrality of Tuscany would be respected.

This was a measure calculated to inspire confidence in the British factory that their persons and property would remain unmolested, and if there were no other considerations this act alone loudly calls on the Tuscan Government to make restitution to those British subjects who have suffered whilst reposing under its protection. The proceedings of the French subsequent to their entry of Leghorn may not be very generally known, but they are marked by everything that is unprecedented and unjust, and this with the acquiescence (whether voluntary or not I will not pretend to say) of the Tuscan Government. The effects of British subjects have been indiscriminately confiscated, and the basest means have been resorted to to discover not only their property, but the debts due to them, which have shared the same fate, nay, even neutral property consigned to the British factory, and left at Leghorn, has not been held sacred in this general scene of plunder. Those merchants who have suffered by this calamity will be greatly wanting to themselves and their country if they delay making a respectful representation to Government of the injuries they have sustained, and the first claim they have for restitution to be made them. In what manner this indemnity is to be demanded, or from whom, it may not now be necessary to discuss, but the present moment seems peculiarly favourable to agitate the question with the Ministry.

It is perhaps of sufficient importance to compose a part of the negotiation with France, and it is not impossible but a hint from Lord Malmesbury might procure redress even from that Government. As almost every trading town in the Kingdom is more or less interested on this occasion, and it is not to be expected that the sentiments of these different communities can be collected by epistolary correspondence, the mode most likely to be effectual seems to be



for each place to appoint one or more delegates to be in London by a certain day with full powers to take such steps as may be agreed upon at a general meeting of such deputies. Some one of our house will be ready to attend, and to give every information and assistance in his power. I shall take it as a favour if you would inform me, or my friends at Liverpool, what is done by your society in this business.—I am, with much respect, sir, your most obedient, humble servant,

JOHN DRAKE.

Before the receipt of this letter a Committee of the Chamber had been appointed for the purpose of collecting facts as to the confiscation of British property in Italy. Founded upon the information thus obtained, a "statement of our grievances in a matter of such magnitude" was to be laid before the Government. Mr. Turnbull was invited to assist in this project, and in his reply, dated October 27th, 1796, he said that he had already made application for relief to Lord Grenville, and to the Privy Council "respecting the outrages of the French at Leghorn." He added: "His Majesty's Ministers are perfectly disposed "[to afford] every assistance and support that can be suggested, "but, at the present moment, they cannot devise nor discover "any means of affording or obtaining any relief."

With regard to the attitude of Spain, in view of the war with France, Mr. Turnbull observed:—"With respect to Spain we "are still more unfortunately circumstanced, as, though we are "not professedly at war, every bad consequence attending it has "already ensued. If the gentlemen of your place can suggest "any means that can be adopted, and might be useful, I am "persuaded that the merchants of London, Leeds, Exeter, &c., "would willingly co-operate, and that the Administration would "very favourably listen to anything that might be proposed."

In a subsequent communication, dated October 31st, Mr. Turnbull, who apparently had learnt more as to the sacrifices consequent upon the occupation of Leghorn, expressed deep concern for the sufferings imposed upon merchants, and proposed that a conference on the whole subject should be held in London.

## CHAPTER III.

The Confiscation of British Property in Southern Europe: Meeting of Delegates in London, and Interview with Mr. Pitt—Absence of Foreign Trade Statistics—Liability of Inland Water Carriers for Damage to Goods—Liability of Underwriters for Losses by Seizure by the Enemy—Relations with Spain.

THE suggestion made by Mr. Turnbull proposing the Conference in London was promptly acted upon, and as the outcome of negotiations in which the Manchester Society prominently figures, a meeting of delegates from Manchester, Liverpool, Leeds, Halifax, Birmingham, Exeter, and about a dozen of the London merchants, took place at the London Tavern on November 29th, 1796. The Manchester delegates, in writing home, report:—"The meeting this day was respectably and numerously attended—a string of resolutions which had previously been adopted at our private meeting having been proposed, after some few alterations, were unanimously agreed upon." More than a century has elapsed, but the reproduction of the proceedings of that meeting are still interesting and instructive as a record of an attempt to secure conjoint action, on the part of the commercial bodies throughout the country, at a critical period when the interests they represented were threatened with serious disaster:—

PROCEEDINGS OF A PUBLIC MEETING OF THE LONDON MERCHANTS, AND DELEGATES FROM THE TOWNS OF MANCHESTER, LIVERPOOL, LEEDS, HALIFAX, BIRMINGHAM, AND EXETER, AT THE LONDON TAVERN, NOVEMBER 29TH, 1796—

JOHN TURNBULL, Esq., in the Chair.

*Resolved* (1): That it appears from indisputable proofs that the generals and commissaries of the French armies taking advantage of the security that several states in Italy placed in their neutrality and the progress of their arms in that country, not only generally seized and confiscated the property of the British subjects that in various places they could find, either in private warehouses or in the public warehouses of the state, as was the case at Leghorn, but also compelled by force and violence the merchants and traders of many places of which they took possession to bring to them their books of accounts, and to pay to them whatever sums of money they appeared to be owing,

either by bills of exchange or book debts, to the English merchants, and that they further stop at the post office at Leghorn the letters, and took out of them and compelled the payment or the bills that were enclosed in them and could be recovered.

*Resolved* (2): That the generals and commissaries of the French armies, by acting in the aforesaid manner, violated all the principles of faith among men, controverted the established laws of war among nations, and grossly infringed the most sacred rules of political justice, which constantly tends to lessen the miseries of war by making the enemy suffer as little as possible individually, although from necessity as much as possible collectively.

*Resolved* (3): That it is known and admitted that the French took possession of Leghorn on 27th June, and immediately proceeded to commit on the British property the depredations now complained of; and it also clearly appears that for some little time before, great apprehensions were entertained of such an event, particularly by the British merchants residing in that place who had large property and stock belonging to themselves and to their friends in England, and were consequently taking measures to place that property in a state of security. That the Governor of Leghorn being apprised of their apprehensions and alarms, on the 25th June issued a proclamation, whereof the following is a true translation:—

#### NOTIFICATION.

“The most illustrious Chevalier Francisco Spamache Piccolomini, Major-General of the Troops of H.R.H. the Most Serene Ferdinand III., Prince Royal of Austria and Bohemia, Arch-Duke of Austria, Grand Duke of Tuscany, &c., &c., and for His Royal Highness Civil and Military Governor of the Town, Port, and Jurisdiction of Leghorn, Commander of the Sea-Coast and Marine, President of the Health Office, &c., &c.,—Having understood that some false alarms and rumours have been raised in this city and port, on equivocal news that some French troops who had passed from the territory of Pistna may be destined for this aforesaid city, and desiring that this alarm, prejudicial to quiet and to commerce, may cease, makes it publicly known that he has received within these few days, ministerially, secure assurances that notwithstanding the approach of the French troops, the neutrality of Tuscany would be respected; that no ministerial letter has hitherto contradicted these assurances of security, and that even the private letters received this morning confirm them. In consequence thereof, all the inhabitants of this city and port have every motive to remain quiet and tranquil, with the certainty that he will publish another notification, all that may be written and ordered to him on this subject by H.R.H. our august Lord, whensoever that may occur. Given the twenty-fifth day of June, 1796.”

*Resolved* (4): That the British subjects and others—holders of British property, residing at Leghorn—trusting to this proclamation from the Governor, confiding in the certainty of his intelligence thus formally and officially communicated, forebore to take the necessary steps for the security of their property, which, had they not been misled by this public act, from the highest and supposed best authority, they would no doubt have succeeded in placing out of the reach of danger, and that in consequence thereof the said property, to a very great amount, was taken possession of by the French generals and commissaries.

*Resolved* (5): That from the preceding statement of circumstances it may be reasonably hoped and requested that His Majesty's ministers may require and procure that justice may be done to His Majesty's subjects by the Tuscan government. That compensation may be made to them for the losses they may have sustained from trusting with confidence to official assurances of security and protection, and that the Tuscan subjects and others residing in Tuscany may not be permitted for a moment to imagine that by paying extorted sums to French generals or commissaries they can be exonerated from their legal debts to British merchants.

*Resolved* (6): That His Majesty's ministers be likewise requested to make and enforce claims of indemnification for the losses that British subjects have sustained by the outrages and depredations of the French in the states of the Emperor and of the Pope in Italy—particularly at Milan and Bologna—where similar depredations and extortions were practised as at Leghorn; and where negative discharges were likewise granted by the French generals and commissaries for debts due to the British subjects from which the debtors could not in any respect be thereby released.

*Resolved* (7): That a committee be appointed, consisting of the following gentlemen:—

The Delegates from Manchester, Birmingham, Leeds, Halifax, Liverpool, Exeter, and the following gentlemen of London, with Mr. Drake, of Leghorn:—Messrs. Turnbull and Co., Messrs. Kuliff, Grellett, and Co., Robert Hunter, Esq., Messrs. Luccadra and Le Souf, Samuel Lightfoot, Esq., Messrs. J. Christen and T. Dullierre, Messrs. Painter, Messrs. J. and F. Baring and Co., Messrs. Hilton and Chadwick, Messrs. Lucas and Boch, Messrs. James Reid and John Parkinson, and such others as the Committee may from time to time think proper to admit; and that they or any of them may wait on His Majesty's Ministers to confer on the redress that ought in justice to be obtained, and to submit more fully their sentiments on the subject of these resolutions.

*Resolved* (8): That the aforesaid committee, or any part of them, do take into their consideration and use their best endeavours to carry into effect all such measures which may be suggested to

them as conducive to facilitate or promote the trade and manufactures of this country.

*Resolved* (9): That the Chairman [John Turnbull, Esquire] transmit copies of these resolutions to the Lord President of His Majesty's Council, Lord Grenville, Secretary of State for Foreign Affairs, and to the Right Hon. William Pitt, First Lord Commissioner of His Majesty's Treasury.

On the following day, November 30th, 1796, the General Committee thus appointed at the London Tavern, in accordance with the seventh and eighth resolutions, had a fully-attended assemblage at Tom's Coffee House, for the purpose of adopting and remitting to the Government, resolutions embodying the views of the community. The substance of the communication to the Government was that, looking at the presence of British shipping at the port of Genoa with their valuable cargoes, it had become imperative that the Mediterranean Fleet should be materially strengthened to safeguard our interests, in view of the ascendancy of the French in that quarter. The Committee had certainly lost no time. But some days elapsed, after the Right Hon. W. Pitt and his colleagues had been communicated with, before the audience was arranged for. At length, on December 9th, 1796, the deputation, consisting of twenty-two persons, were accorded an interview with the Government, the proceedings lasting over a couple of hours. The Prime Minister was of opinion that with respect to the claims made on the Tuscan Government for the loss of British property occasioned by the seizures of the French, no fair grounds justifying indemnification could be established against the Grand Duke of Tuscany unless proofs were adduced or sufficient presumption could be maintained that the public notification made with a view of allaying the general uneasiness did not proceed from a sincere conviction that the intelligence thus communicated was perfectly reliable. The Premier was, however, satisfied that the outrages which had been committed were of such a gravity as would justify a claim for redress being made against France if the negotiations in progress for peace would permit of it. Then, with regard to the debts due to British subjects, Mr. Pitt said these would be considered in a quite different category, and that His Majesty's Government would inform the Tuscan Government that the common rules of justice, which no doubt regulated the laws in the different States of Italy, must, as they conceived, insure in

this instance relief to the British subjects in Tuscany without the interference of the Government. Touching upon another matter which the deputation had adverted to—our naval supremacy in the Mediterranean—the Premier gave the assurance that this was not lost sight of, and further measures depended partly upon the pressure of other services and their necessities. Other topics of current interest were commented upon by Mr. Pitt, who, *inter alia*, observed “that it was desirable that gentlemen should write “to their correspondents at places in the possession of the French “to the effect that if they would remit good bills, means would “be taken to have them paid.” At a monthly meeting of the Chamber on December 1st, 1796, it was resolved to request the President to acquaint the delegates in London that the Chamber had approved of their proceedings.

A suggestive incident occurred after the return of the delegates from London, which shows how imperfect and unserviceable were the statistical records of British foreign commerce at the close of the 18th century. In the course of his reflections upon the business brought before him on December 9th, it appears to have occurred to Mr. Pitt that it would be desirable to have some idea of the magnitude of the trade whose troubles had given the deputation so much concern. But there were no trustworthy official means at his command of gauging it. He therefore requested Mr. Turnbull to obtain information on this subject from the Manchester and Exeter Chambers. “Mr. Pitt,” says the letter forwarding this message, “having found the “Custom-house reports with respect to the exports to be “extremely vague and uncertain, requests as a particular favour “that you and the gentlemen of your Committee will be pleased “to transmit to me, for his information, as correct a statement “as can be conveniently made of the value of your exports of “manufactures during the year 1795, to Italy, Spain, America, “the West Indies, and the Northern parts of Europe.” On the receipt of replies from Manchester and Exeter to the effect that it had been found impossible to obtain the desired information, Mr. Turnbull, at a subsequent interview with Mr. Pitt, reported the result of his efforts made in Manchester. The Prime Minister said he had not wished to have an exact account, but only such an estimate as a few well-informed people in each branch of trade might be able to frame after consultation

together. Thereupon the resourceful Mr. Turnbull said that if he could have supplied to him a return, from "the Inspector-General of Trade at the Custom-house," of the quantity of the exports from all parts of the country in 1795, he would forward copies to the Chambers of Commerce and have the values attached. Mr. Pitt approved of this plan as likely to give more accurate results than his own.

Concurrently with the negotiations concerning British interests in Tuscany, a number of other important matters had been occupying the attention of the Chamber. During the Easter Term of 1796 an important decision had been given in the Court of King's Bench in a case of *Smith v. Shepherd*, whereby inland water carriers were held to be amenable for damages to goods entrusted to their care and whilst in their possession. Following upon this decision a meeting was convened at Hull of the proprietors of craft employed on inland navigations and owners of coasting vessels interested in the matter. The outcome of that meeting was an announcement which appeared in a Hull journal on September 3rd, 1796, intimating the intention of shipowners, proprietors of barge craft, and canal carriers to approach Parliament with a view to an amendment of the law in such a manner as would exempt them from the effect of the dictum laid down in the case of *Smith v. Shepherd*, and exonerate them from all responsibilities in the way of damages to goods which have been caused during their carriage. This bold attempt on the part of carriers to free themselves of all liability in respect of damages to goods in transit could not be allowed to pass unnoticed by manufacturers and traders. A subsequent meeting was held in Hull on September 29th, 1796, by the parties interested in the suggested amendment of the law, and on that date a circular was issued in the following terms:—

I am desired by the owners of ships and vessels belonging to different ports in England present at a general meeting held here this day, September 29th, 1796, to inform you that, pursuant to the resolutions of the general meeting on the (?) inst., they intend to apply to Parliament for an Act to relieve owners of ships and vessels from the alarming responsibility to which, by a determination of the Court of King's Bench in Easter Term last, in the case of *Smith* against *Shepherd*, they are held liable for damages happening to goods and merchandise committed to their care, and as the application will unavoidably be attended with considerable expenses, I am requested by the Committee to express their hopes that as the business materially concerns shipowners in general, you and other owners of ships and vessels in your port will hold a

meeting as soon as you conveniently can, and enter into a voluntary subscription towards defraying those expenses. The meeting is adjourned to the twenty-seventh day of October, before which time the Committee will be glad to be favoured with the names of the subscribers and the sums they respectively propose to subscribe.

A special meeting of the Manchester Chamber was held upon October 13th, 1796, for the consideration of the notice which had appeared in the Hull paper of September 3rd, and the steps to be taken in the way of countervailing the agitation of those who were interested in the modification of the law in a manner which would operate to the disadvantage of the trader and manufacturer. On November 29th, 1796, the delegates representing the various manufacturing towns met in London, and signed the following advertisement, as a sort of counterblast to the notice which had appeared in a Hull paper on September 3rd, 1796:—

We, the undersigned, delegated by the merchants of the different manufacturing towns to meet in London on commercial affairs, understanding that application is to be made to Parliament to obtain an Act for the purpose of releasing owners of vessels from the responsibility to which they are now liable for loss or damage happening to goods committed to their care, GIVE THIS PUBLIC NOTICE that such application is intended to be opposed, and invite all those interested in receiving and forwarding goods to join in petitioning Parliament that the existing laws may remain in full force:—

THOS. RICHARDSON, }  
CHAS. FRED. BRANDT, } Manchester.  
ALEXANDER TURNER, Leeds.  
JONAN. GRUNDY, }  
BENJN. STOKES, } Birmingham.  
JOHN LEES, Halifax.

Delegates from Exeter who were present did not sign the paper, having taken the matter *ad referendum*.

In the further exercise of the trust reposed in them of furthering the interests of commerce, the General Representative Committee having had the opinion of counsel took up the question of the embargoes, and held a further meeting at Varley's Hotel on December 3rd, 1796, at which it was resolved that Messrs. G. and T. Bischoff, of Leeds, should be requested to commence an action or actions, and such other proceedings as advised by counsel, to determine whether they had not under the particular circumstances of the case to make an abandonment to the underwriters and claim for a total loss; and that whatever expense might be incurred, as it was a matter of common interest to all concerned, the cost of the proceedings should be equitably distributed amongst them. The underwriters were not a little



alarmed at this proceeding, and it was thought it might result in an advantageous compromise.

A special meeting of the Manchester Chamber was held on December 10th to consider the abandonment question and the correspondence with the delegates in London. On that day the two Manchester delegates who had gone to London write to Mr. Edge, the President, intimating that the underwriters were about to consult together, and that it was not at all improbable that they would see their way to making overtures to the delegates. At a special meeting of the Chamber held on December 23rd it was resolved to bear a proportionate expense of the test trial regarding the abandonment of the embargoed goods intended for Italy, and a committee was appointed for the conduct of the affairs relating to the abandonment case.

It had been rumoured about this time that the merchants of this country had combined and approached the Government with a view to the confiscation of Spanish property in England, and the expulsion of Spaniards from our shores. In order to correct the misapprehensions occasioned by the circulation of the statement, a meeting of the committee acting in London was held at Tom's Coffee House on December 28th, as a result of which the rumours were denied, and an authenticated report was published of the proceedings at an interview with His Majesty's Ministers, the rumours having originated in false accounts of them.

On December 31st, Mr. Turnbull wrote from London, that on the previous day he had been accorded an interview with Lord Spencer regarding the protection of our interests in the Mediterranean. There was, he learnt, a prospect of peace, but a manifest desire had been shown on the part of France to exclude Great Britain from trading with any European port. Lord Spencer gave the assurance that efficient convoys would be maintained so long as the Italian States were enabled to preserve their neutrality towards this country, and that Sir John Jervis would take charge of vessels bound for Italy at Lisbon, that being preferable to Gibraltar as a *rendezvous* on account of the risk there incurred from exposure to the fire of the enemy. On January 4th, 1797, Mr. Benjamin Stokes advised the Manchester Chamber that a meeting had been held on that day in Birmingham to consider the attitude of Spain. Advices

had been received from that country bearing date of November 30th, 1796, reporting that the Spanish Government had demanded an account of all monies due to England, and that such monies should be handed over to the Spanish authorities. He stated further that recent advices from Hamburg expressed apprehensions of a French descent upon that port. It was during this period of uneasiness in 1796 that the first telegraph was set up under the auspices of the Government in this country, in the shape of the semaphore.

At a meeting of the Manchester Chamber held on January 5th, 1797, the following resolutions were adopted:—

“In order to facilitate the returns of British property now in sundry parts of the Continent, it is essentially necessary that bills of exchange drawn from places which are now or may be hereafter occupied by the French should be allowed to be accepted and paid.

“That by the present mode of application for licences for the above purposes, unnecessary delays are incurred which have in some instances proved detrimental to the holders of such bills.

“That His Majesty's Ministers having been pleased to invite the delegates of this Society to propose such modes as may be thought most advisable for the convenience of trade, the following method is respectfully suggested as calculated to answer this purpose, and also to prevent the abuses which might be made of such licences:—

“1. The holder or holders of any bill or bills of the above description to endorse the same, specifically declaring upon oath before a magistrate that he or they did receive such bill or bills in return for and in payment of British merchandise exported. The affidavit, with an exact copy of such bill on the back of such bill or bills, to be filed at the office where the licence is granted.

“2. The bill or bills so endorsed to be sent, together with the affidavit, to an office appointed by the Government for that purpose in the same manner as bills for acceptance. Such office, if it could be at the Bank of England, would greatly add to the facility wished for—to receive sanction of payment by the words, wrote on the original bill, ‘Permit payment,’ and signed by the person so appointed by Government for that purpose. Such bill or bills to be called for on the following day, as in the case of bills sent for acceptance.

“3. That all bills on which permit shall be refused at the office be allowed to be presented to his Grace the Duke of Portland on such days as may be appointed for that purpose in each week, giving notice to the endorser or endorsers that he or they may have an opportunity to support his or their application by memorial or personal attendance.”

At a meeting of the Exeter Chamber on January 10th, 1797, it was resolved that, subject to the approval and amendment of

the Manchester and other Chambers working in conjunction, a circular notice should be published, printed in the various European languages, intimating the regulations which should be observed in the conduct of trade, the terms of which were as follows :—

*Notice of the Commercial Societies of Manchester, Leeds, Halifax, Birmingham, and Exeter.*

The Societies of the above-mentioned places declare the following as fundamental principles of trade:—

That an English house having executed an order in a reasonable time, and shipped the goods as soon as conveniently may be, has performed its part of the agreement, and is not responsible for any subsequent delay of departure or arrival.

That where no specific agreement is made, contracts are always understood to be made in English money and in English weights and measures.

That no delays or abatements of payments or abandonment can be admitted from a variation in exchange or a detention of vessels.

That no receipts for debts due to England, or for any contribution paid or pretended to be paid to agents of a Government or hostile armies, shall be admitted as a partial or total acquittal of such debts.

That some houses affected by the war and by the French conquests having behaved with the greatest integrity, whilst others have availed themselves of circumstances to set up the most extravagant claims, these Chambers will transmit to each other the names of all houses abroad acting contrary to these principles, so that every exporter may be on his guard against such correspondents.

Several thousand copies of this circular, with slight amendments, were printed in French, Italian, and Spanish, and circulated by agreement of all the Societies.

In response to an inquiry made by Lord Grenville concerning the measures taken by the Court of Madrid with regard to British commercial interests, the Prince de la Paz replied on February 5th, 1797, the communication being dated from Aranjuez. From this reply the following extract was remitted to the Manchester Chamber from the Treasury, Downing Street :—

“ The King my master [Charles IV. of Spain] being no means less desirous than His Britannic Majesty to lessen the evils which war brings with it, has commanded me to answer the enquiries which your Excellency makes in the latter part of your letter, concerning the regulations which have been observed in Spain with respect to the residence of the merchants and the British subjects who were there before the war, and their effects, debts, and property.

“ As to the first point I will acquaint your Excellency that all the English naturalised in Spain have been ordered to withdraw twenty leagues inland

from the ports, and those who are not naturalised have all been allowed the six months stipulated by treaty for the purpose of settling their affairs; and even several exceptions have been made to this general rule in favour of persons whose circumstances have recommended them, by being permitted to reside in the ports, and remain in Spain. The Irish domiciliated Catholics have been continued in the enjoyment of their ancient privileges recently confirmed to them by the Royal *Real Cedula* of 1792, and have not been in the least molested.

"No British property has been confiscated in Spain; the effects, debts, and property of British subjects have only been detained or embargoed by depositing them in the hands of the individuals who have declared them with the interference of the Government for greater security in order to prevent embezzlement, and to be able to restore them with greater speed and punctuality when it may be proper. His Catholic Majesty is well persuaded that the merchants and other Spanish subjects who are in England will not be treated with less indulgence, nor their property less respected."

Spain had declared war against Great Britain on October 6th, 1796. Thus the peaceful relations which had been maintained from the Treaty of Versailles, concluded on September 3rd, 1783, had been strained for four months prior to the despatch from Aranjuez; and but nine days after the date of that note from the Prince de la Paz, the Spanish fleet was defeated by Sir John Jervis off Cape St. Vincent on February 14th, 1797, who received a peerage as Earl St. Vincent, and was awarded an annuity of £3,000 to mark the appreciation of the British Government. But the genius of commerce and the instincts of war are incompatible. Our resources were being terribly strained, yet the martial spirit prevailed, while hungry crowds gazed on brilliant reviews. Nations, however, cannot be fed upon the pomp and circumstances associated with military and naval exploits; and in industrial Manchester, where the boot keenly pinched, violent demonstrations insisting upon the provision of the means of subsistence occurred frequently. During the previous year—1796—the gentry, clergy, and tradesmen of Manchester pledged themselves by resolutions prominently advertised in the local newspapers to effect a reduction in the recourse to the use of wheat-flour by at least one-third. Pies and puddings ceased to appear on the tables of some of the middle classes, while the artisans and labourers were on the verge of starvation. The Bank of England suspended cash payment on February 27th, 1797, which was not resumed until May 1st, 1821.

Another interesting complication arising out of the state of war illustrating some of the abstruse questions engaging the attention of institutions whose function is to safeguard commercial interests, was furnished by a development contemporary with the embargoes referred to. A number of English vessels, whose hulls and cargoes had been covered by insurances effected in Great Britain, had had portions of the freight sea-damaged in voyaging to Leghorn. On arrival at that port, in conformity with the law prevailing in Tuscany, the goods had to be discharged into public warehouses belonging to the Grand Duke. They had to lie there pending the obtaining of an order of the Court of Admiralty in that country before they could be forwarded to the private warehouses of the consignees, or to their order elsewhere. Before, however, the necessary preliminaries could be completed, the goods in question were seized by the French and confiscated. The contention of the owners was that as the detention of the goods was consequential solely from the damage, and such detention afforded the opportunity for confiscation, they were entitled to be reimbursed for a total loss. The underwriters could scarcely under such circumstances be called upon to do more than cover the loss represented by the partial damage. Such was, at any rate, the opinion of several eminent counsel.

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## CHAPTER IV.

Proposed Relief Loans from Government to Shippers—Weekly Detention of Manchester Continental Mail for two days in London—Union of Commercial Societies of the Kingdom—Perils of Trade with the Mediterranean—A Basis of Commercial Treaties on the Conclusion of Peace.

FROM the beginning of 1797 the records of the Chamber are mainly concerned with troubles and disasters arising out of the great war with France. At one of its meetings, held on March 9th, 1797, a resolution was adopted requesting the President "to write to the Chairman of the Commercial Society in Birmingham, desiring he will furnish this Society with the plan of their intended application to Government for temporary [financial] assistance during the present embarrassment." The embarrassment here referred to was the locking up of funds of British manufacturers and merchants in the countries where war was going on, especially in Italy and Spain. In a reply to the President's letter, dated April 11th, Mr. Jonas Grundy, in the absence of Mr. Benjamin Stokes, the Chairman of the Birmingham Society, stated that it was proposed to submit the applications of the several sufferers through the London Committee, and that the total amount of assistance required for his own town would be from £100,000 to £200,000. It was suggested also that the advances should be repaid by instalments at not distant periods. It does not appear that any result followed this proposal. One may infer, however, from the correspondence, how serious was the financial inconvenience, as well as actual loss and stoppage of trade and industry, occasioned by the war.

An interesting incident occurred during the earlier months of 1797 which throws light upon the internal postal arrangements of that time. The Manchester Chamber had addressed the Postmasters-General—the office being then held jointly by the Earl of Leicester and the Earl of Chesterfield—with reference to the despatch to the provinces of the Continental mail arriving in London on Saturday evening. This was always detained at the General Post Office until Monday night, and was delivered

in Manchester on Wednesday. The Chamber represented that "from time immemorial" Tuesday had been the chief market day of the week in Manchester, and that "great and various inconvenience" was occasioned by the detention of despatches from the Continent, with which most of the foreign business of the district was done by their receipt on the next day, involving in most cases a delay of a week. On March 31st a long communication was sent to the Chamber explaining why the desired alteration could not be made. The reasons were, in brief, that if it were conceded to Manchester, every town in the Kingdom might claim it; that it would lead to the establishment of a daily postal despatch from London, "to which there are not only many official objections, but there is also reason to believe that the merchants, traders, &c., of the metropolis would also remonstrate against such a measure;" and "that if it did not lead to a seventh day post, the forwarding of the foreign letters to the different towns in the Kingdom would be attended with enormous expense." It is added that the 63 clerks in the London Inland Department might be frequently kept waiting for the mail, and that they would naturally expect an addition to their salaries, and the mail coach contractors and the country postmasters would have to be compensated. Other equally powerful reasons are given for the refusal, including the plea that the public accounts would be complicated by so revolutionary a step as despatching the mail from London on Sunday. No resolution is recorded upon this remarkable communication, and apparently the Manchester manufacturers and merchants of that time resigned themselves to the continued detention in London from Saturday to Monday of their Continental letters. The reply from the Lords of the Treasury, to whom the same request had been addressed, is a model of curtness, if not of good grammar. It runs:—

Treasury Chambers, May 5th, 1797.

Gentlemen,—Having laid before the Lords Commissioners of His Majesty's Treasury your memorial, praying that such letters as arrived at the Post Office from abroad too late to be forwarded by the coach on Saturday night be sent by the mail coach on Sunday evening, I am commanded by their Lordships to acquaint you that your request cannot be complied with.—I am, gentlemen, your most humble servant,

CHARLES LONG.

Merchants and Manufacturers in  
Manchester trading to the Continent.

About this time a more or less successful endeavour was made to establish a permanent union of Commercial Societies throughout the kingdom, thus anticipating the idea embodied in the present Association of Chambers of Commerce. The proposal, several times referred to in the minutes and correspondence of the Manchester body, appears to have been cordially received by all the local associations which had been represented at the recent meeting in London, but its adoption does not seem to have gone beyond a general agreement to confer together, upon occasions calling for mutual consultation and combined action; to assimilate, as far as possible, the constitution and laws of the several societies, and to carry on correspondence and exchange information upon subjects of general interest. The following report, read at a meeting of the Manchester Society, indicates only one of the ways in which this co-operation was maintained:—

At a meeting of delegates from the Commercial Societies of Manchester, Leeds, Halifax, Birmingham, and Exeter, held in London, it was resolved unanimously:—"That in the present critical situation of affairs a general co-operation of the different manufacturing towns of England is highly necessary for the security of trade in its present and future operations; That during the course of the present war, and more recently since the progress of the French armies in Italy and Germany, we have experienced from some of our correspondents the greatest honour and punctuality in their dealings, whilst others, taking advantage of the existing circumstances, have abused the confidence reposed in them by exposing British property, procrastinating payments, and raising unjust and futile difficulties to evade payment; That in order to preserve to the fair and honourable dealer the advantages which such conduct so justly entitles them to, and at the same time to expose the conduct of such as have forfeited the confidence hitherto reposed in them, we shall from time to time communicate to each other such instances as have, or may hereafter occur, tending to promote this salutary end; That each individual house of our respective societies shall be at liberty to transmit copies of these resolutions, signed by the Secretary, to such of their correspondents as they shall think proper."

In so far as the non-payment of debts due from customers in Italy, Spain, and other Continental countries to English manufacturers is concerned, it is by no means clear that the fault was entirely on one side. It appears that at the outset of the war the British Government had authorised persons in this country on whom bills were drawn by firms in places occupied by French troops to provisionally withhold payment. Mr. Pitt's remark, previously quoted, shows that it was intended to relax



this rule, which was probably held by many correspondents in such places to justify the refusal to pay what was due to their British creditors, since the bills they might remit for this purpose would almost certainly not be met.

The great difficulty and peril of carrying on trade at that time with the Mediterranean is suggestively shown in the following communication from Mr. Turnbull, dated London, December 31st, 1796, which was read at a meeting of the Manchester Society early in January. It alludes to the deferred and ultimately unrealised prospects of peace, and proves that the writer was diligently continuing the duties which he had voluntarily undertaken of communicating with the Government on behalf of the Commercial Societies. Mr. Turnbull writes:—

In consequence of the prospect of peace from Lord Malmesbury's return, having been placed at a certain, though I should hope, small distance, I had yesterday a conversation with Lord Spencer [the head of the Admiralty] respecting the protection of the trade to the Mediterranean and the Levant. His lordship appeared to be perfectly sensible that the great object of the French was to shut us out from commercial intercourse, as far as in their power, with every port in Europe, and to be very earnest to maintain a naval superiority in the Mediterranean, and effectually to protect by sufficient convoys the trade of this country to the ports of Italy and the Levant. He, however, justly observed that that could only possibly be done so long as the Italian states bordering on the Mediterranean were enabled to support their neutrality towards the English. The command of Sir John Jervis extends all over the Mediterranean, and as far as Lisbon; his fleet will probably be reinforced, and Lord Spencer conceived that as a convoy would be so much exposed to the fire of the enemy by rendezvousing at Gibraltar, it might be infinitely safer for to make Lisbon the general place of rendezvous to which convoys would occasionally be granted, for the merchant vessels bound to Italy and the Levant; and that Sir John Jervis, with a sufficient force, would take charge of them from Lisbon to their ports of destination. It was also conceived that the court of Portugal might be prevailed on to exempt from all port charges and our Consul from consulage the vessels that might be collected there for convoy. Be pleased to favour me with the sentiments of the gentlemen of your place on this interesting subject, and to believe me to be on all occasions. A very injurious malicious report has been circulated, and having strangely found ground among the Spanish merchants established in London—that the English merchants had applied to have their property confiscated, and their persons sent out of England,—it has been thought necessary by the Committee remaining in London to send to each of the Spanish houses here copies of the resolutions and the report of the Conference respecting Spain.

Amongst numerous other communications received from Mr. Turnbull in the course of 1797, the following is selected because it sets forth the views of the most intelligent and hopeful

business men of that day with reference to the possibilities of removing legal and fiscal obstructions to international trade. In France and other countries, the Austrian dominions (as we have already seen), and elsewhere, the importation of foreign manufactures was absolutely prohibited. It was not a question of Free Trade, which even Adam Smith, in 1776, declared that he could never expect to see in England, but the right to trade at all with such countries. The letter was written on May 24th, 1797, and the Manchester Chamber, perceiving that the moment when negotiations for peace should be entered upon would be opportune for seeking to remove the obstacles imposed by law upon commerce between nation and nation, gave it cordial support. The letter runs:—

As there is now a prospect of a negotiation of peace being soon commenced between England and her enemies, and as it is highly essential for the interests of trade that proper commercial regulations and arrangements should in such an event be established and secured, I beg leave to submit to the serious consideration of your Committee certain ideas which have been approved of by the gentlemen here concerned in trade to the southern parts of Europe, to whom I have communicated them. The tariff or rate of duties in foreign countries does not appear to be so material to the prosperity of the manufactures of this one, as the free and unrestrained introduction into them of all the articles whatever produced or manufactured in Great Britain, on the same duties, whatever they may be, as the most favoured nation on similar articles may pay. If the duties should be excessive, the contraband trade will in proportion increase, and the general consumption would not perhaps on the whole be much diminished. Reciprocal privileges of importation into England, it is apprehended without much danger of inconveniency, be granted to all the foreign European countries. The British Legislature having the right to impose such duties as might be thought proper on the importation of all such goods and merchandise.

I am inclined to flatter myself that some kind of understanding and agreement of this sort would serve to obviate many difficulties that would otherwise occur, would simplify the commercial treaties, which have been hitherto so complicated as to be rendered useless, and most essentially promote the trade and manufactures of England, of which the capital, ingenuity, industry and machinery give her a decided superiority over every country of Europe. If it be judged expedient to carry the plan suggested by this letter into effect, it would be, for various reasons, necessary to keep it as private as possible.

The scheme sketched out in this letter was forwarded to the Government by Mr. Turnbull, who afterwards discussed it with Mr. Pitt and Lord Liverpool. In a note of this interview forwarded by him to the President of the Manchester Chamber, he said that "Lord Liverpool much approved of the plan.

“Mr. Pitt also approved of it, but seemed to apprehend that “difficulties will occur in attaining and executing it.” The cautious and experienced statesman was perhaps thinking of the ill fate which had befallen his excellent commercial treaty with France, concluded several years before. It is not difficult to discern, however, in the accounts of this and numerous other conversations between Mr. Pitt and this energetic, far-seeing, and straightforward business man, that he always treated with respect the proposals which he frequently put before the Minister on behalf of the Manchester and other Chambers of Commerce. The memorandum left with Lord Liverpool and Mr. Pitt on this occasion is worth quoting:—

That Lord Malmesbury be entreated to include or to stipulate that Commercial Treaties shall be hereafter formed between England and France, Spain, and such other countries with whom he may negotiate, on the basis of an unlimited and reciprocal admission of importation into each of the respective countries, of the produce and manufacture of the other, of whatever nature or description they may be. The duties on importation and the internal duties thereafter to be at the discretion of the Government, into whose country the goods may be introduced, with the only provision that they shall not exceed the duties required to be paid on similar articles and similar qualities when imported from the most favoured nations.

## CHAPTER V.

Summary of Suggestions for the Treaty of Peace—Mr. Pitt's Plan for Defraying the Cost of Convoys—Responsibility of Carriers by Inland Roads and Waterways.

THE scheme for the negotiation of Commercial Treaties, upon the conclusion of the war, was heartily approved of by the Manchester Chamber, but a further desire was expressed to Mr. Turnbull that he should take an opportunity of urging the Government to seek similar binding arrangements with other countries besides France, Spain, and the Italian States. The alert London correspondent of the Manchester Chamber, who had not seen Lord Grenville on the occasion of his interview with Mr. Pitt and Lord Liverpool, sent to him an epitome of the various proposals agreed to by the provincial Chambers and the London Committee, embodying a suggestion from Manchester, and including those previously agreed upon referring to the settlement of claims for debts and losses. This interesting and important paper reads as follows:—

Mr. Turnbull presents his respectful compliments to Lord Grenville, trusting that Lord Malmesbury's negotiations will be ultimately productive of general peace. Mr. Turnbull thinks it his duty, with great deference, to request that he may be permitted to recapitulate and to recall to Lord Grenville's attention the different matters which, in such negotiations, have been considered as essentially important to the commercial interests of this nation, and which as Chairman of the general body of the merchants of England trading to the southern parts of Europe, and by their desire, he has had the honour to submit to His Majesty's Ministers.

With respect to the general protection and advancement of the great manufacturing interests of England in its relations with the other countries of Europe, it has been unanimously and earnestly recommended, and requested, that Lord Malmesbury may be instructed chiefly, and above all other commercial considerations, to insist that the produce and manufactures of Great Britain shall be absolutely permitted to be introduced and sold in the different countries with whose Ministers he may negotiate. Whatever regulations, modifications and duties may be thought necessary by the respective Governments may be admitted to be enforced, only provided that they don't exceed what may be imposed and paid on similar articles and of similar qualities from the most favoured nation.

That the amount of the debts owing to British subjects, and of the property belonging to them in Spain at the commencement of the war, both

which have been sequestered by the Spanish Government, may be reclaimed and made good to the British subjects who may be entitled to demand and recover them, whether such subjects formerly resided in Spain or in England.

That in the same manner the debts which were owing to British subjects in various parts of Italy, especially Tuscany, Lombardy, and the Pope's Dominions, the amount whereof has been extorted by the French generals, may be claimed and made to be considered as still owing by the original Italian debtors to their original English creditors, and that the British property which has been seized and confiscated in Italy, and particularly in Tuscany, by the French generals, contrary to the laws of nations, and during a period of profound peace existing in that country, may be restored, if to be found, or its value fully made good to the proprietors.

We now come to an important proposal put before the Chambers of Commerce by Mr. Pitt for raising funds to defray the cost of protecting British merchandise at sea from the attacks of the enemy. Burdened as he was with the provision of means for carrying on a terribly expensive war, at a time when the productive industries and the trade of the country were profoundly depressed, the expense of living very high, and the resources even of the ordinarily well-to-do part of the population greatly narrowed, the minister, not unnaturally, thought that it would be just and fitting to make the foreign commerce of the kingdom pay for its own defence at sea. He therefore requested Mr. Turnbull to call upon him and discuss the question. The story of the interview and of the proposals of Mr. Pitt is told in the following letter addressed to the Manchester Chamber, dated London, February 14th, 1798:—

In consequence of having received a note from Mr. Pitt desiring to see me on Saturday last on the subject of arranging convoys for the protection of trade, and imposing certain temporary duties in consideration thereof on exports and imports, I attended that day a meeting in Downing Street, of the Chairmen of the Commercial Committees and some other principal merchants in London. Mr. Pitt, after some explanatory observations, requested that the gentlemen present would consult the bodies of merchants with whom they were connected respecting the expediency of the following propositions, and other best modes of carrying them into effect, and that they would collect the general sentiments of such bodies thereon, after mature deliberation, and communicate them to him, viz. :—

That no British vessel should be permitted to clear out and sail from any port of the British dominions, without a sufficient convoy for protection from the enemy, who are reduced to the last resources of injuring our trade by a predatory war on our running and defenceless ships.

That sufficient convoys should be granted at such times, and in such force as the exigencies of the various departments and branches of the commerce

of this country might require, and that the sentiments of the different bodies trading to the various parts of the world should be obtained, to ascertain the periods and the extent of such protection as would be the most efficaciously serviceable.

That as, by this frequency of convoys, the commerce of this country would be greatly facilitated and a great diminution necessarily produced in the premiums of insurance, a small consideration should be made to the State on the value of the property that, by such public exertions, may be thus effectually protected, and that the best plan for raising such contributions should be ascertained.

That it is essentially necessary to adopt the most proper measures that can be suggested to prevent masters of vessels from voluntarily leaving the convoys under whose protection they may sail at a British port; although they may arrive before the others, they may not be allowed to enter their vessels at the Custom House until the rest of the convoy may arrive. But a further punishment or penalty is wished to be inflicted, in order, as far as may be possible, to compel them to remain with the convoy and to restrain them from voluntarily quitting it.

That it may be expedient, during the continuance of the war, to grant the protection of convoys, and sailing orders in common, to neutral and especially American, as to English vessels, on such neutral vessels engaging strictly to conform to the regulations enjoined on the British trade.

These are the outlines of the propositions that were verbally delivered by Mr. Pitt, on which I beg leave to request that the merchants of your place will give me their full and mature sentiments and decision, with respect to the propriety of the measures proposed, the best mode of carrying them into effect, and every other circumstance relative thereto, that may contribute to assist and facilitate the trade of this country. I requested Mr. Pitt to have the goodness to give some general ideas of the *quantum* of consideration that he might have in contemplation, and of the modes of collecting it, that might have occurred to him as most eligible. He replied, that as to the mode of collection he could give no opinion, but as to the *quantum*, he conceived that about  $2\frac{1}{2}$  per cent. might be considered as a medium rate, to be diminished or increased according to the length and degree of protection.

The proposed contributions to the cost of convoys here referred to do not appear to have been favourably received either by the London Committee or by the Manchester Chamber. Both of them approved of the regulations, but the former body conceived that as the levies on imports and exports were of the nature of a war-risk premium, the Government should act as underwriter for such risk. In Manchester the matter was considered at two successive meetings. On the first occasion there was rather strong opposition to Mr. Pitt's scheme, and further deliberation was deferred to a second meeting, the minutes of which are unfortunately imperfect. What was the ultimate

decision of the Chamber cannot therefore be stated. It is matter of history however that the project, in so far at any rate as the levying of the contributions is concerned was carried out. The impost was, in fact, the Convoy Tax, a term familiar to the careful readers of the history of those times.

Toward the close of 1797, the question of the responsibility of inland carriers by road and water for damage to goods in transit, which had been frequently discussed before, became a very important one in Manchester. It was of particular interest because all merchandise sent to Northern Europe from North-western England, a large proportion at that time of the export trade of the country, was conveyed by canal and river to the port of Hull. On this subject a long minute appears in the records of the Manchester Chamber of November 30th, 1797, condemning the endeavours of carriers to obtain, by an Act of Parliament, immunity from claims for losses by damage to goods in their care during transit. The Aire and Calder Navigation Company, which appears to have been the chief promoter of this measure, held a position of control and influence which could hardly be claimed now for the most important railway company in the kingdom. It controlled not only the traffic from West to East, in the North of England, but it also exercised its powers, as the minutes before us affirm, greatly to the injury of the trade between Manchester and the North of Europe. At one time, the proprietors of the Rochdale Canal, a connection of the Aire and Calder Navigation, on an appeal from the Manchester Chamber, set up rival vessels to those of the Aire and Calder Company. The contention existing at the end of 1797 appears to have ended by the submission of the Aire and Calder Company, although there is no record of the withdrawal of the bill promoted in Parliament in its interest. It may be noted, however, that the letters from the Rochdale Canal Company are signed by the Rev. Dr. Drake, the Chairman of the Company, who was then, presumably, Vicar of Rochdale, and an exceedingly influential person in that town. The special thanks of the Chamber were conveyed to him for his spirited action in this matter.

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## CHAPTER VI.

Proposed Examination of Textiles entitled to Drawback in Manchester instead of at the Ports of Shipment—Illegal and Open Sale of Indian and Foreign Silk Goods in the United Kingdom—Diminished Activity of the Commercial Society—The Place of the Commercial Societies in the Economic History of the Country.

AT the annual meeting of the Chamber, held on March 8th, 1798, several alterations in its rules were adopted. Among them was one providing for quarterly instead of monthly meetings, power being given to the President to call the members together on special occasions at any time. A few of the meetings of the previous year had been slenderly attended. Thenceforward the minutes, though less voluminous than before, are occasionally of much interest.

On May 22nd, 1798, a letter was forwarded to the President—Mr. John Silvester—requesting him to summon a meeting for the purpose of adopting a petition to the Treasury requesting that the examination and sealing of packages of silk, silk and cotton goods, and chequered and striped goods exported from Manchester should be done in Manchester, and not at the port from which they were shipped. The letter was signed by Nathaniel and Falkner Philips and Co., Benjamin Wilson and Co., Bradock, Edge, and Crompton, Charles Wood and Co., and Charles Frederick Brandt and Co. The meeting was held on May 26th, and a memorial to the Treasury was adopted, setting forth the inconvenience and injury which resulted from the opening and examination of cases of these goods by the Customs' officers at the ports where they were shipped for foreign markets. It was pointed out that cotton prints, on which an excise duty was paid, were already examined in the Manchester warehouses by the excise officers, and the drawback on those intended for export was determined before the goods were packed. It was requested that a similar method should be adopted in the case of other manufactures, the drawback on which was allowed, not because of an Excise duty, but because of the heavy Customs duty imposed upon the raw cotton, silk



and linen from which they were made. The Lords of the Treasury were reminded that, in June, 1796, a like request had been unsuccessfully made to them. They were now desired to reconsider their previous refusal. The memorial was promptly presented to the Treasury, but it does not appear that the desired reform was sanctioned.

At the quarterly meeting of the Chamber, held on 4th April, 1799, a subject was discussed illustrating the persistency and success with which laws interfering with the freedom of trade were disobeyed a century ago. There was, in and around Manchester, an extensive manufacture of silk handkerchiefs, similar to those imported from India. The import duty on raw silk was seven shillings per lb. besides an excise duty of 4½d. per square yard on British woven silk goods, in consideration of which an equivalent drawback on these when exported was allowed. The admission of foreign and Indian competing silk goods was allowed only for the purpose of being sent to foreign markets. The obvious intention of these arrangements was to preserve the home market exclusively for home manufactures, and to ensure the payment of the duties by the home consumer. The penalty for the infraction of the law was heavy—a fine of £200, and the forfeiture of the goods imposed upon any person in whose possession such Indian or foreign goods, sold in the home market, should be found. It was well known, however, that these had long been openly retailed in drapers' shops throughout the country. A memorial to the Lords of the Treasury was accordingly adopted, which after setting forth the facts, represented that "a competition by foreign goods, exonerated " as they are from these burdens, and sold in the manner stated, " cannot fail to be successful, and whilst it prejudices so essentially the fair trader, and destroys the means of employment to " so many persons solely dependent upon this branch of manufacture, the revenue derived from this source can no longer be " productive." A bill for regulating the importation of goods from India was then before Parliament, and the memorial prayed that provision might be made to effectually stop the contraband trade complained of. What was the final outcome of this memorial the minutes do not tell us, but it was not until 1824 and 1825 that Lord Liverpool's Administration attacked the root of the evil by reducing the import duties on raw silk,

abolishing the prohibition of foreign silk manufactures, and removing the export drawback on those made in the United Kingdom.

A question brought under the notice of the Chamber in February, 1801, provides an example of the minor injuries inflicted upon our industries and commerce by the navigation laws of that time. Linen yarn had long been imported from the Baltic ports for the use of Lancashire manufacturers. When brought in British vessels it was free of import duty, but when brought in foreign ships duties varying from 12 to 15 per cent. were imposed. So long as our ships were allowed to pursue their course unmolested, they naturally carried all the linen yarn thus brought to our shores. But the danger arising from the enemy's war-ships and privateers on the seas had transferred the trade to neutral foreign vessels, and the duty, previously inoperative, was now exacted, raising thus considerably the price of the yarn. There was another reason for the scarcity and extreme dearth of linen yarn. The number of neutral foreign vessels available was limited, and their owners, being in possession of a kind of monopoly, naturally took advantage of it by charging extremely high freights, so high indeed that the cost of transport amounted to as much as the price paid for the yarn itself at the port of shipment. This incident furnishes a significant indication, among others, of the tremendous cost of carrying on British foreign trade, at that time, in all directions. A memorial was sent to the Treasury, stating that the duty had, in fact, proved prohibitive, and that Baltic linen yarn could no longer be obtained. It was urged that, as the season for sending orders for this material was far advanced, it would be well that prompt action should be taken. This appeal was successful. On March 10th Colonel Stanley, one of the Lancashire Members of Parliament, by whom it was presented, writes:—"I have just received a note from the Treasury stating "that orders were given on the 7th of this month to the Customs "to admit linen yarn," brought by neutral vessels free of duty. A copy of the Treasury letter follows in which it is intimated that the sanction of Parliament to these orders would have to be obtained later on, but that they would take effect immediately.

An ominous incident is recorded in the minutes of the annual meeting of the Commercial Society held on March 5th, 1801. It

was proposed by Mr. Brandt and seconded by Mr. Lawrence Peel that the meetings of the Society be suspended. The ayes and nays being equal, the President—Mr. John Silvester—gave his casting vote in favour of the motion, which was consequently carried. It had become quite clear, first, by the substitution of quarterly for monthly meetings in 1798, and afterwards by the occasional very thin attendance at these, that the interest of the members in the work of the Society had for some time been waning. No cause for the slackening is stated, but it is not difficult to form a tolerably confident surmise upon the subject when all the circumstances of the period are considered.

The closing years of the 18th and especially the first year of the 19th century were full of anxiety for manufacturers and merchants, not only in Manchester, but throughout the kingdom. In the first place the home harvests of 1797—1801, were in varying degree deficient in quantity and poor in quality. Wheat, which at the close of 1796 was 56s. per quarter, rose toward the end of 1799 to 92s. 7d.; in January, 1801, to 139s., and a few months later to 180s., bread being then 1s. 10½d. for the four-pound loaf, about five times its present value. Wages, too, in all directions were extremely low, and employment precarious. The miseries of the poor, whose whole income was often absorbed in order to procure the barest necessities of life, reached a depth to this generation inconceivably wretched. Even people reckoned wealthy were compelled to cut down their expenditure enormously. The home demand for manufactures was, under such circumstances, exceedingly small, and the foreign trade was highly hazardous and restricted by the perils of war, danger of capture or destruction of merchandise; and, as the records of the Commercial Society in those years abundantly show, by the financial distrust everywhere prevailing on the Continent. Then, too, a vicious commercial policy, the inheritance from previous generations, was strangling mercantile intercourse at every turn, whilst the huge cost of the war took from the pockets of the people an oppressively large share of their earnings and incomes. Moreover, either because of the preoccupations of the Government in the great conflict on the Continent, or because of the comparatively slender power of the industrial and mercantile classes, or from both causes, it had become quite clear that the influence of mercantile associations embracing firms of the

highest standing could do little to procure the remedy of abuses or to obtain reforms from Ministers or from Parliament, even when their efforts were combined, as we have seen, by mutual correspondence and by concentration in London.

The operations of the Society did not indeed cease, for minutes of meetings specially called are recorded to the end of 1801, when they suddenly terminate. It was, however, never dissolved. As shown hereafter, the Society was reconstructed in 1820, some of the members of the old body taking part in the revival, and the balance of its funds, amounting to £157. 9s., which had been lodged in the bank of Jones, Lloyd and Co., was handed to the Treasurer of the new institution by the executors of Mr. Richard Yates, the former Treasurer.

The Manchester and other commercial associations, called in the minutes before us by various and varying names, were the first efforts of the industrial and mercantile community of the eighteenth century to join together for consultation and action, and for the information of their rulers, with reference to the condition and wants of the manufacturing and commercial population. Their members were becoming conscious of a new power, arising mainly out of the inventions which were tending to improve the life of the people in all directions, to increase the wealth of the world, and to place within the reach of mankind the means of mental and moral elevation. They were conscious, too, of the sufferings which the state of war inflicted upon them on every side, especially in their efforts to maintain and extend their foreign trade. They found, moreover, as in the case of the endeavour of the Manchester Chamber to obtain the removal of the prohibition of British manufactures in Austria, that traditional Protectionist maxims were hopelessly against them. Still further, they were not themselves yet emancipated from the thralldom of these maxims. The time had not yet come to proclaim and act upon a larger policy. It is no surprise, therefore, that Adam Smith, writing in the latter half of the eighteenth century, declared that it was vain to expect that the British people would consent to follow a course founded upon a complete abandonment of Protection.

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## CHAPTER VII.

The Economic Condition of the Kingdom after the Close of the War—  
Resuscitation of the Chamber of Commerce in 1820—Tariff Restrictions  
on Trade between Great Britain and Ireland—Memorials to Parliament  
in favour of Free Trade.

WHEN the Manchester Chamber of Commerce was re-established, early in the year 1820, the condition and prospects of the industries and trade of the Kingdom were widely different from those with which the old Commercial Society was concerned. The war with France had ended, peace having been declared in 1815, and the convertibility into coin on demand of the notes of the Bank of England, which had been suspended in 1797, was restored in 1820.

But there was a huge inheritance of difficulties obstructing the progress of the people, proceeding partly from the war and partly from bad laws and unreformed methods of administration. During a period of 23 years British trade and industry had laboured amidst the complications and disorder of a forced paper currency, in addition to the still greater burdens of most onerous taxation, imperfect and highly hazardous ocean communications, dear bread, and almost, though not quite, constant poverty and distress amongst the masses of the people. For a time, and even after 1820, the troubles amongst the labourers in manufacturing industry were aggravated temporarily by the substitution of machinery for handicraft. The laws, too, and their administration, were to a large extent unequal and oppressive. The people, energetic and enterprising enough, were uninstructed, and though conscious of their sufferings, knew not how to remedy them. Nor were the rulers of those days, with rare exceptions, sufficiently enlightened, or sufficiently free from inherited prejudice, to see the way to legislative reform. A few—William Pitt amongst them—entertained thoughts and even projects of amelioration, but the preoccupations of the war overshadowed them all. Once toward the close of the 18th century, when delegates from the Manchester and other Commercial Societies went, by appointment, to suggest certain

measures to the Prime Minister, Pitt was obliged to put them off to another day owing to the pressure of his engagements in connection with the national finances. He was about that time almost continually knocking at the door of the Bank of England, and when two or three days afterwards he received the delegates, he excused himself for keeping them an hour and a-half beyond the appointed time by stating that he had been detained longer than he had expected at the Bank.

If a conviction of the need for a radical reform of the old commercial system, a clear perception of the principles on which it should be accomplished, and a set purpose of using every opportunity of carrying it out in the midst of the most discouraging circumstances be worthy of honour,—then the name of William Pitt has indubitable claims on our respect as a pioneer in the work of commercial and industrial liberation which culminated in the abolition of the Corn Laws. But he did not live to see the fruit of his aspirations. He died in January, 1806, “worn out by hard work and anxiety, an old “man at the age of 47,” after hearing of the defeat of the Russian and Austrian armies at Austerlitz by Napoleon,—“Killed by the enemy,” wrote Wilberforce, in his diary. But that was only the finishing stroke, the culmination of a long struggle which had exhausted his energies prematurely in a tragical conflict, and prevented him from realising his projects for the economic regeneration of his country. During the later years of his life Pitt was greatly supported by the warm sympathy and effective help of his clever and energetic niece, Lady Hester Stanhope, who acted as his private secretary, and kept his house at Walmer Castle, his official residence as Warden of the Cinque Ports.\*

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\* The following story, told to the present writer by Lord Granville, during a walk in the grounds of Walmer Castle in 1884, illustrates the resolute and daring character of Lady Hester Stanhope and her devotion to her illustrious uncle. One day when Pitt, refreshed by a short holiday at Walmer, was about to return to his onerous duties at Downing Street, he casually referred to a desire he had entertained to enclose some adjoining land within the pleasure grounds of the Castle. Soon after he had gone, Lady Hester drove to Dover, and gave orders to the commanding officer of the garrison to send a company of soldiers to enclose and lay out the additional land. The thing was quickly done, and when Pitt again visited Walmer, he found his desire completely fulfilled.

The long-drawn-out war and its exigencies had not only impoverished the country, depressed its industries, and crippled its foreign trade; it had also absorbed so thoroughly the minds and energies of Ministers and Parliament during its progress that legislative and administrative reforms stood no chance of receiving attention. It is perhaps not surprising, therefore, that the Manchester Commercial Society, and apparently other similar bodies, found themselves unable to accomplish much good by means of their organisations.

But immediately after the restoration of peace the old Society was, as we have seen, revived. At length there was hope of successful results from associated deliberation and action. The resuscitated Chamber found indeed plenty of work to do; and, moreover, a new spirit had arisen which was beginning to fill the minds of statesmen, as well as merchants and manufacturers, with new views of economic policy.

Reference has already been made to the deep impression which the teaching of Adam Smith in the "Wealth of Nations" had made upon the mind of Pitt. The first fruit of this influence was seen in his ill-fated commercial treaty with France, concluded in 1786. It next appeared in the Act of Union with Ireland, of 1800, in which he inserted a clause abolishing the heavy Customs duties which were then imposed on both sides of the Channel upon British and Irish productions respectively. The duties were to cease in 1820. In the spring or early summer of that year, however, a bill was brought into the House of Commons, providing for a continuance of the duties until 1840, with a reduction of one-fourth in each five years.

One of the first acts of the Chamber was to oppose this measure. A memorial to Parliament against it was forwarded, but the bill had already reached the third reading, and it soon became law. The Chamber continued to protest against it, and there is some evidence that it excited discontent in other parts of the Kingdom. Shortly afterwards, however, a Commission was appointed by the Government to investigate the subject, and the Chamber deputed one of its members, Mr. Samuel Matthews, a gentleman engaged in the trade with Ireland, to give evidence in favour of a total and immediate repeal of these restrictions. The original correspondence on this question, still preserved by the Chamber, shows that much diligence was used in the

collection of statistical and other facts demonstrating the serious injury inflicted upon the people of Great Britain and Ireland respectively by the Customs barrier maintained on both sides of the Channel. Naturally, this evidence bears especially upon the textile industries. Weaving was, even in 1820, mainly a hand-loom industry, and one of the arguments in favour of repeal was that if the cotton yarn spun in Lancashire could be sent to Ireland free of duty, and the woven material brought back to Manchester also without duty, a new and profitable field would be found for the employment of labour in Ireland, where there was an abundance of hand-loom weaving, especially in the North, and a corresponding benefit would be bestowed upon Lancashire. It was not until 1823 that complete freedom of trade was established between the two islands. There can be no doubt, however, that it was largely, if not mainly, in consequence of the efforts of the Manchester Chamber that the beneficent intention of Pitt was then fulfilled, and the prolonging Act of 1820 removed from the Statute Book.

The state of manufacturing industry in the year of the reconstitution of the Chamber was extremely depressed all over the Kingdom, and throughout the Continent, with which much the greater part of our foreign trade was then carried on. Notwithstanding the formidable obstacles to international commerce deliberately imposed by Governments during the war—the Orders in Council on our side, and the Berlin and Milan decrees of Napoleon—it was found, after the restoration of peace, that the expected revival of demand for British manufactures in Europe did not come. The markets of Europe which were accessible to them, so far from being scantily supplied, and eager to buy freely, were overstocked. The enterprise of manufacturers and merchants had overleaped the barriers, and after the war came to an end, the accumulations were sufficient to reduce the new requirements to very small dimensions. This was also largely the case at home. Rates of wages, and the employment of labour, instead of improving in the earlier years after the conclusion of peace, became still more depressed. It is easy now to discern the causes of the depression. Deep below every other was the exhaustion inevitably consequent upon a great and long-protracted international struggle, for war is always a prodigious destroyer of wealth. To this was added the disband-



ment of hosts of soldiers and the disemployment of multitudes of non-combatants previously engaged, directly or indirectly, in the service of the armies in the field. But the resources of employers were also greatly impaired by prolonged heavy taxation and bad trade, and thus, whilst the number of labourers was greatly increased, the amount of capital available was seriously diminished.

Added to these depressing circumstances there was another, the influence of which was not fully comprehended at the time. Inventive genius was beginning to substitute, more rapidly than before, machine production for handicraft, especially in the textile industries. Power-looms were being introduced, and the wages of handloom weavers, by whom weaving was still mainly carried on, fell to a pitifully low level between 1815 and 1820. In the cotton industry the state of affairs was so dark and discouraging that the Board of Directors of the Chamber undertook a special investigation into its distressed condition during the winter of 1820-1, in the course of which some of the numerous defects in the laws affecting commerce and industry were laid bare.

Meanwhile the prime defect of all, the unnatural and repressive Customs restrictions and prohibitions, then universally prevalent, had been brought prominently before Parliament. We have seen already how decisive an impression had been made upon the mind of William Pitt by the Free Trade teaching of Adam Smith, and that, under its influence, he negotiated the abortive Anglo-French Commercial Treaty of 1786, and, later on, abolished the Customs duties between Great Britain and Ireland. The preoccupations and distractions of the war prevented him from giving further attention to this momentous subject of tariff reform. But the seed sown by the "Wealth of Nations" was germinating in the minds of thoughtful men less burdened with the cares of those troublous times. In 1820 a petition to the House of Commons, drafted by Mr. Thomas Tooke, the well-known author of the "History of Prices," was signed by a number of London merchants, and afterwards presented. This historical document, which was afterwards supported by memorials to Parliament from the Edinburgh and Manchester Chambers of Commerce, sets forth so clearly the argument against all protective Customs restrictions upon international trade that it may be usefully reproduced here. It runs:—

That foreign commerce is eminently conducive to the wealth and prosperity of a country, by enabling it to import the commodities, for the production of

which the soil, climate, capital and industry of other countries are best calculated, and to export in payment those articles for which its own situation is better adapted.

That freedom from restraint is calculated to give the utmost extension to foreign trade, and the best direction to the capital and industry of the country.

That the maxim of buying in the cheapest market, and selling in the dearest, which regulates every merchant in his individual dealings, is strictly applicable as the best rule for the trade of the whole nation.

That a policy founded on these principles would render the commerce of the world an interchange of mutual advantages, and diffuse an increase of wealth and enjoyments among the inhabitants of each State.

That, unfortunately, a policy the very reverse of this has been, and is, more or less, adopted and acted upon by the Government of this and of every other country, each trying to exclude the productions of other countries, with the specious and well meant design of encouraging its own productions, thus inflicting on the bulk of its subjects who are consumers, the necessity of submitting to privations in the quantity or quality of commodities, and thus rendering what ought to be the source of mutual benefit and of harmony among states, a constantly-recurring occasion of jealousy and hostility.

That the prevailing prejudices in favour of the protective or restrictive system may be traced to the erroneous supposition that every importation of foreign commodities occasions a diminution or discouragement of our own productions to the same extent, whereas it may be clearly shown that although the particular description of production which could not stand against unrestrained foreign competition would be discouraged, yet, as no importation could be continued for any length of time without a corresponding exportation, direct or indirect, there would be an encouragement, for the purpose of that exportation, of some other production to which our situation might be better suited, thus affording at least an equal, and probably a greater, and certainly a more beneficial employment to our own capital and labour,

That, of the numerous protective and prohibitory duties of our commercial code, it may be proved, that while all operate as a very heavy tax on the community at large, very few are of any ultimate benefit to the classes in whose favour they were originally instituted, and none to the extent of the loss occasioned by them to other classes.

That, among the other evils of the restrictive or protective system, not the least is, that the artificial protection of one branch of industry, or source of production, against foreign competition, is set up as a ground of claim by other branches for similar protection, so that if the reasoning upon which these restrictive or prohibitory regulations are founded were followed out consistently, it would not stop short of excluding us from all foreign commerce whatsoever. And the same train of argument, which, with corresponding prohibitions and protective duties, should exclude us from foreign trade, might be brought forward to justify the re-enactment of restrictions upon the interchange of productions (unconnected with public revenue) among the kingdoms composing the union, or among the counties of the same kingdom.

That an investigation of the effects of the restrictive system, at this time, is peculiarly called for, as it may, in the opinion of your petitioners, lead to a strong presumption that the distress which now so generally prevails is

considerably aggravated by that system, and that some relief may be obtained by the earliest practicable removal of such of the restraints as may be shown to be most injurious to the capital and industry of the community, and to be attended with no compensating benefit to the public revenue.

That a declaration against the anti-commercial principles of our restrictive system is of the more importance at the present juncture inasmuch as, in several instances of recent occurrence, the merchants and manufacturers in foreign States have assailed their respective Governments with applications for further protective or prohibitory duties and regulations, urging the example and authority of this country, against which they are almost exclusively directed, as a sanction for the policy of such measures. And certainly, if the reasoning upon which our restrictions have been defended is worth anything, it will apply in behalf of the regulations of foreign States against us. They insist upon our superiority in capital and machinery, as we do upon their comparative exemption from taxation, and with equal foundation.

That nothing would more tend to counteract the commercial hostility of foreign States than the adoption of a more enlightened and more conciliatory policy on the part of this country.

That although, as a matter of mere diplomacy, it may sometimes answer to hold out the removal of particular prohibitions, or high duties, as depending upon corresponding concessions by other States in our favour, it does not follow that we should maintain our restrictions in cases where the desired concessions on their part cannot be obtained. Our restrictions would not be the less prejudicial to our capital and industry because other Governments persisted in preserving impolitic regulations.

That, upon the whole, the most liberal would prove to be the most politic course on such occasions.

That, independent of the direct benefit to be derived by this country on every occasion of such concession or relaxation, a great incidental object would be gained by the recognition of a sound principle or standard to which all subsequent arrangements might be referred, and by the salutary influence which a promulgation of such just views by the legislature, and by the nation at large, could not fail to have on the policy of other States.

That in thus declaring, as your petitioners do, their conviction of the impolicy and injustice of the restrictive system, and in desiring every practicable relaxation of it, they have in view only such parts of it as are not connected, or are only subordinately so, with the public revenue. As long as the necessity for the present amount of revenue subsists, your petitioners cannot expect so important a branch of it as the Customs to be given up, nor to be materially diminished, unless some substitute, less objectionable, be suggested. But it is against every restrictive regulation of trade, not essential to the revenue—against all duties merely protective from foreign competition—and against the excess of such duties as are partly for the purpose of revenue and partly for that of protection, that the prayer of the present petition is respectfully submitted to the wisdom of Parliament.

Your petitioners therefore humbly pray that your Honourable House will be pleased to take the subject into consideration, and to adopt such measures as may be calculated to give greater freedom to foreign commerce, and thereby to increase the resources of the State.

The effect of these representations was very remarkable, falling as they did upon the minds of a body of men who had all their lives accepted as axiomatic, in common with the whole world, the narrow doctrines so fearlessly attacked and uprooted by the petition. A Parliamentary Committee was appointed, comprising amongst others Mr. Huskisson and Mr. Baring, "to inquire into the means of improving "and extending the foreign trade of the country." Its report was entirely favourable to the reforms advocated in the petition. It declared :—"The times when monopolies could be successfully "supported, or could be patiently endured, either as respects "subjects against subjects, or particular countries against the "rest of the world, seems to have passed away. Commerce, to "continue undisturbed and secure, must be, as it was intended "to be, a source of reciprocal amity between nations, and an "interchange of productions to promote the industry, the wealth, "and the happiness of mankind." If these anticipations have been shown, by subsequent experience, to be over-sanguine, they prove, at all events, that the doctrine of Adam Smith had struck its roots deep into the soil of the British Legislature more than quarter of a century before Free Trade became fully established as the commercial policy of this country. In presenting the report of the Committee, on June 18th, 1820, Mr. Wallace, its Chairman, said :—"It has been a reproach to us among foreign "nations that our mercantile system was so full of restrictions "against them that they were compelled, in self-defence, to "impose similar restrictions against us. I trust, however, that "it will be so no more; and if we should be compelled to "continue any of our present restrictions, either from the "pressure of taxation, or our compacts with foreign nations, or "with our own countrymen, or from any other cause whatsoever, "it will be understood that we do so from a principle of justice, "that it is a sacrifice to our sense of duty, that it is a matter not "of opinion, but of necessity. . . . And whatever may "be the exclusion or restrictions which foreign States may think "it expedient to keep up upon trade, they will no longer have "the opportunity of justifying themselves by saying, 'Such is the "example and such the conduct of England.'"

## CHAPTER VIII.

Obstacles to the Progress of Manufacturing Industry—The Burdens of a Bad Fiscal System—Three Privileged Interests—The Corn Laws—Memorable Meetings of the Chamber in 1838—The Foundation of the Anti-Corn Law League: Its Triumph—Sir Robert Peel on Reciprocity—Steadfast Adhesion of the Chamber to the Policy of Free Trade.

IN accordance with the limited purpose of these chapters it is necessary to pass over, with the briefest reference only, the abundant and varied work of the Chamber from the year 1820, until the struggle for Free Trade began in earnest, eighteen years later. Its chief preoccupations during this eventful period may perhaps be most concisely indicated by a short review of some of the more prominent questions by which its attention was engaged. Two or three of them, however, call for something more than mere mention, especially the efforts of the Chamber in the direction of removing restrictions upon the productive and commercial energies of the country, culminating in the memorable discussions which took place at its special general meetings in 1838, led by Mr. Cobden, the issue of which was the foundation of the Anti-Corn Law League.

The cotton manufacture of Lancashire in 1820 was rapidly advancing towards the position it ultimately took, as the most important of British industries, except agriculture. But it was hampered by fiscal burdens, the mere mention of which is enough to give a shock to the spinner and manufacturer of our day. First, there was the import duty on raw cotton, originally imposed in 1798, and not repealed until March 19th, 1845. The amount of it varied from time to time, but the normal rate was 1d. per lb. From 1809 to 1814 it was 2d. per lb. In 1821, West India Cotton was specially exempted from duty, other kinds paying the original rate until 1828, when the duties were 6 per cent. on all foreign grown cotton, and 4d. per cwt. on that produced in British possessions. In 1831 the duty on foreign was fixed at 5d. per lb., that on British remaining as before, but the former was reduced in 1834 to three-tenths of a penny, with an addition of 5 per cent. all round imposed in the years

1840 and 1841. These rates were charged only when cotton was brought in British ships. During a considerable part of this period the Navigation Acts were in force, and, in harmony with their principle, the duties on cotton when imported in foreign vessels from whatever source were much higher than the rates just quoted. At one time these amounted to 3d. per lb.

Another onerous and still more vexatious impost was the excise duty on printed calicoes. This was originally levied in 1712, as part of a general tax on printed textiles, including silks and linens, but excluding all goods of which wool was the sole or chief raw material. This exemption was made in pursuance of a traditional policy designed to encourage the growth and manufacture of wool in this country. Again and again the Chamber made representations to Government and to Parliament, setting forth the seriously repressive effect of the excise duty on prints, not only because of its amount, but also because it involved the innumerable inconveniences and annoyances incident to the presence and scrutiny of supervisors at the print works. Other vexations were connected with the computation of drawback when British prints were exported. It was not until 1831 that this obnoxious tax was removed, and the records of the Chamber show that it was surrendered only after a severe and prolonged struggle. The gross produce of the tax was £2,000,000, but owing to the heavy cost of its administration and collection, and the amount of drawbacks on exports, the net produce was not more than £500,000. When the abolition of the duty was decided upon, the Chancellor of the Exchequer, Lord Althorp, proposed, by way of compensation, to double the import duty on raw cotton, then about a halfpenny per lb. Thereupon the Chamber sent a deputation to the Treasury to protest against this substitution. The result of the interview, which took place on February 5th, 1831, was that the Chancellor of the Exchequer, with whom was the Prime Minister, Earl Grey, consented to only a slight increase in the duty on raw cotton, making it  $\frac{1}{2}$ d. per lb., and in the Budget introduced shortly afterwards the print tax, after an existence of more than a century, was omitted for the first time during that long period. The import duty on raw cotton was retained, however, until March 19th, 1845.

But many other taxes upon commodities used in the cotton and other industries were imposed during the quarter of a

century after 1820, some of them even longer. Amongst these materials were flour and starch, leather, soap, dyestuffs, paper, timber, bricks, and tiles. The concentrated effect upon the cost of manufacturing production generally may be imagined, although it cannot be reckoned. It is quite certain, however, that this was very serious, and occasionally the Chamber took steps to mitigate the burden. It was recognised, however, that the heavy national obligations resulting from years of costly war had to be borne, and it was not until the Anti-Corn Law agitation had been set on foot that statesmen began to discern the wastefulness of a system of indirect taxation which brought almost every article of consumption within the fiscal net either for import or excise taxation. There is not very great exaggeration in the following graphic satire of Sydney Smith, published in the *Edinburgh Review* of 1820:—

Taxes upon every article which enters into the mouth, or covers the back, or is placed under the foot. Taxes upon everything which it is pleasant to see, hear, feel, smell, or taste. Taxes upon warmth, light, and locomotion. Taxes on everything on earth or under the earth, on everything that comes from abroad or is grown at home. Taxes on the raw material, taxes on every fresh value that is added to it by the industry of man. Taxes on the sauce which pampers man's appetite, and the drug which restores him to health; on the ermine which decorates the judge, and the rope which hangs the criminal; on the poor man's salt and the rich man's spice; on the brass nails of the coffin, and the ribbons of the bride; at bed or board; couchant or levant, we must pay. The schoolboy whips his taxed top; the beardless youth manages his taxed horse, with a taxed bridle, on a taxed road; and the dying Englishman, pouring his medicine, which has paid 7 per cent., into a spoon that has paid 15 per cent., flings himself back upon his chintz bed, which has paid 22 per cent., and expires in the arms of an apothecary who has paid a license of a hundred pounds for the privilege of putting him to death. His whole property is then immediately taxed from 2 to 10 per cent. Besides the probate, large fees are demanded for burying him in the chancel. His virtues are handed down to posterity on taxed marble, and he will then be gathered to his fathers, to be taxed no more.

The minute books and the original correspondence of the Chamber from 1820 to 1838 are full of interesting material bearing upon British economic history during those eighteen eventful years. Apart from questions of legislation and administration concerning home affairs, the then rapidly expanding trade of the United Kingdom with distant parts of the world—East and West—called for constant deliberation and action, and the records before us bear evidence not only of great vigilance and energy on the part of the Chamber, but also of the

important influence which it exercised upon governments and the Legislature in the direction of removing antiquated obstacles to progress, and of suggesting improvements favourable to the growth of our external commerce. Its success was often long delayed, and is the more remarkable because in those years the traditional habits of Parliament and of the whole administration were very far from being so favourable to the serious consideration of questions affecting commerce and manufactures as they are now.

Amongst the national industries agriculture had long been, and still was, the chief source of wealth, and the chief object of concern in the minds of the rulers. Next to this, in their estimation, stood the shipping industry, for the supposed special advantage of which the Navigation Acts had been maintained. Then there were the Colonies, upon which legal privileges were conferred by preferential treatment of their products at British Custom Houses. Sometimes these privileges differentiated between one part of the colonial empire and another; as, for example, when sugar from East India was charged a much higher rate of duty than that from the West Indies. Canada was favoured by the admission of its timber at merely nominal rates, whilst those on timber from the Baltic countries were so high as to add considerably to the cost of buildings and many articles of woodware. These are merely specimens of a generally prevailing practice.

The encouragement of the three interests just referred to—agriculture, shipping, and colonial industry—had become so intricately woven into the fabric of national policy and national thought that any proposal which seemed in any degree to threaten them was sure to encounter the sturdiest opposition. But the younger industries—the manufacturing industries—found themselves at every turn confronted by obstacles to their progress created by laws, not so much for their hindrance as for the benefit of the privileged interests. But their fetters could not be removed without offence to the favoured interests, and those who defended the privileges, having been accustomed to regard them as the very pillars of national prosperity, could not but look upon the representatives of the youthful giant of manufacturing industry who assailed them as reckless destroyers of the foundations of their country's welfare.



Chief amongst the obstacles to an enlarged foreign trade was the heavy duties upon imported corn. It has sometimes been represented that the main object of English manufacturers and merchants in labouring for the repeal of these duties was to provide cheap food for the labourers in manufacturing districts in order that the wages paid to factory workpeople might be kept low. No unbiased mind can fairly examine the voluminous literature of the Anti-Corn Law agitation and come to such a conclusion.\* The predominant argument throughout that agitation was that since the population of the Kingdom had outgrown the power of the home agriculture to supply its food requirements, and its manufacturing capacity had also outgrown the limits of the home markets, the necessity had arisen to allow the unrestricted admission of the superabundant food products of other countries in return for the superabundant manufactures of this country. The larger principle that it is "an inalienable right of every man to exchange the results of his labour for the productions of other people" was not, as we shall presently see, overlooked. But the dominant argument for the free admission of food products was founded upon the conditions of practical expediency already mentioned—that provision should be made for the unobstructed exchange of the superfluous productions of the United Kingdom, viz., manufactures, for the superfluous food products of other communities.

An unwarrantable inference has been drawn from this contention of the earlier advocates of Free Trade. It has been said that they contemplated a permanent condition of things in which Great Britain should be the great supplier of manufactures to the world, and other countries merely, or chiefly, suppliers of agricultural products. But it must be quite obvious that their reasonings contemplated only the conditions and circumstances by which they were surrounded. Moreover, in a historic document from the pen of Mr. Cobden, given in full below, and adopted in 1838 by the Manchester Chamber of Commerce, it is explicitly stated that other countries were even then developing their manufactures at a great rate, and that they threatened to beat us in the race, unless the laws which hampered our own foreign commerce were repealed.

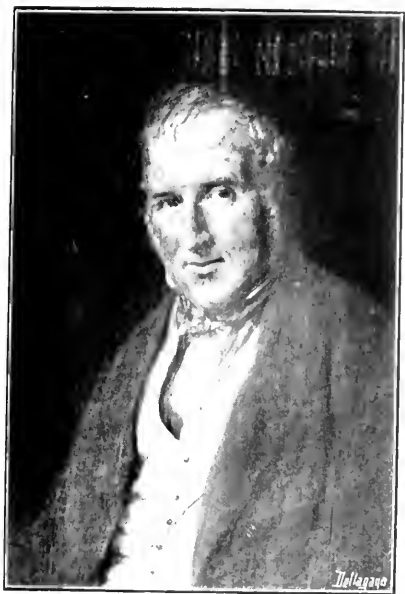
From the time when, in 1820, the Manchester Chamber

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\* See Chapter IX.

supported the famous petition to Parliament of the London merchants in favour of Free Trade, the Board of Directors had never ceased to repeat its representations in one form or another. Again and again appeals to the Legislature or the Government were made either for a repeal of the corn duties, or for the abolition of all protective legislation, including that which still professed to shield home manufacturers from foreign competition in the home markets.

Mr. Cobden had been elected a director of the Chamber in 1836, and had attended its meetings with fair regularity. In that year he was a member of a small committee which examined a quantity of samples of cotton goods, including prints, produced in Germany and Switzerland, forwarded to the Chamber by the Board of Trade. It is evident from the report of the committee that Mr. Cobden, in common with his colleagues, was deeply impressed with the excellence and cheapness of these productions, and it may be inferred that he received from this examination one of the impulses which inspired him, in the interests of British manufacturing industry, to enter earnestly into that struggle for Free Trade in which he became the most eminent labourer. In the autumn of 1837 Mr. Cobden attended a meeting of the British Association in Liverpool, in company with Mr. Henry Ashworth, of Bolton, who was also a director of the Manchester Chamber of Commerce. There they met, amongst other accomplished economists, Mr. George Richardson Porter, the permanent secretary to the Board of Trade, and the well-known author of the "Progress of the Nation." Amongst the subjects of conversation amongst these gentlemen the Corn Laws and the whole system of Protection held a prominent place. They were agreed that the Customs duties on foreign grain were the stronghold of the fabric of trade monopolies and privileges, and that only by making a successful assault upon the main position could they hope to liberate the industries and commerce of the country from the repressive influence of the system generally. Talking upon this subject with Mr. Ashworth, after one of the Liverpool meetings, Mr. Cobden, whose mind was full of it, said abruptly, as if struck by a happy thought:—"I'll tell you what we'll do; we'll use the Manchester Chamber of Commerce for an agitation to repeal the Corn Laws." His companion replied that the Chamber was not a suitable body to take up work of



GEORGE WILLIAM WOOD  
(M.P. for Kentish),  
President of the Chamber 1829-32 and 1836-38.



SIR THOMAS BAZLEY, Bt.  
President 1844-47.



HENRY ASHWORTH,  
President 1863-1864.



HUGH MASON,  
President 1865-1866.



that kind. Not discouraged by this answer, Mr. Cobden rejoined that for his own part he was determined to put forth all his strength to bring about the repeal of the taxes on imported grain. He was further impelled to carry out this determination by the severe distress borne by the cotton and other industries during 1837.

Following up this resolution, Mr. Cobden began his work in the Chamber in the following year, not for the purposes of a popular agitation, but in order to quicken its zeal, and to evoke from it a powerful appeal to Parliament in favour of Free Trade. The opportunity soon came. Early in December, 1838, it was decided by the Board of Directors that a memorial on the subject of the Corn Laws—not by any means the first—should be addressed to Parliament. This time the movement came not from the Board, but from the body of the members, who desired that a special general meeting should be held to consider the whole question of the Corn Laws in their relation to industry and trade. The meeting, which was largely attended, took place on December 13th, and the President, Mr. George William Wood, then member of Parliament for Kendal, read a petition which it was proposed to present to the House of Commons. The case against the Corn Laws was stated clearly and cogently, but it seemed to halt in its conclusion, and did not boldly ask for their repeal. The President's draft was keenly criticised, and the meeting, after much discussion, was adjourned for a week. When it reassembled on December 20th it was quite evident that Mr. Wood's petition was not more acceptable than before, and Mr. Cobden produced the following memorial, which had been prepared in the interval by Mr. Cobden, Mr. J. B. Smith, and Mr. Henry Ashworth:—

That your Petitioners deem it their imperative duty to call the immediate attention of your Honourable House to the consideration of the existing laws affecting the free importation of food.

That your Petitioners would premise that you are already acquainted with the nature and extent of the cotton trade; combining, as it does, a larger amount of capital, with greater enterprise and skill, and giving more extensive and better regulated employment, than any other branch of manufacturing industry. This source of increasing population and wealth, which has now become essential to our well-being as a nation, owes no sort of allegiance to the soil of England; and if it has grown up with a rapidity unparalleled in the annals of trade, history affords us many examples to show how speedily it may, by misgovernment, be banished to other shores.

That your Petitioners view, with great alarm, the rapid extension of foreign manufactures, and they have, in particular, to deplore the consequent diminution of a profitable trade with the Continent of Europe; to which, notwithstanding the great increase in population since the termination of the war, the exports have been actually less in value during the last five years than they were during the first five years after the peace, and whilst the demand for all those articles, in which the greatest amount of the labour of our artisans is comprised, has been constantly diminishing, the exportation of the raw material has been as rapidly increasing.

That several nations of the Continent not only produce sufficient manufactures for their own consumption, but they successfully compete with us in neutral foreign markets. Amongst other instances that might be given to show the formidable growth of the cotton manufacture abroad, is that of the cotton hosiery of Saxony, of which, owing to its superior cheapness, nearly four times as much is exported, as from this country; the Saxons exporting annually to the United States of America alone, a quantity equal to the exports from England to all parts of the world; whilst the still more important fact remains to be adduced, that Saxon hose, manufactured from English yarn, after paying a duty of 20 per cent., are beginning to be introduced into this country and sold for home consumption, at lower prices than they can be produced for by our manufacturers.

That further proof of the rapid progress in manufacturing industry going on upon the Continent is afforded in the fact that establishments for the making of all kinds of machinery for spinning and weaving cotton, flax, and wool, have lately been formed in nearly all the large towns of Europe, in which English skilled artisans are at the present moment diligently employed in teaching the native mechanics to make machines, copied from models of the newest invention of this country, and not a week passes in which individuals of the same valuable class do not quit the workshops of Manchester, Leeds, and Birmingham, to enter upon similar engagements abroad.

That the superiority we have hitherto possessed in our unrivalled roads and canals is no longer peculiar to this country. Railroads to a great extent, and at a less cost than in England are proceeding in all parts of Europe and the United States of America, whilst, from the want of profitable investment at home, capital is constantly seeking employment in foreign countries; and thus supplying the greatest deficiency under which our rivals previously laboured.

That whilst calling the attention of your Honourable House to facts calculated to excite the utmost alarm for the well-being of our manufacturing prosperity, your Petitioners cannot too earnestly make known that the evils are occasioned by our impolitic and unjust legislation which, by preventing the British manufacturer from exchanging the produce of his labour for the corn of other countries, enables our foreign rivals to purchase their food at one half the price at which it is sold in this market; and your Petitioners declare it to be their solemn conviction, that this is the commencement only of a state of things which, unless arrested by a timely repeal of all protective duties upon the importation of corn and of all foreign articles of subsistence, must eventually transfer our manufacturing industry into other and rival countries.

That deeply impressed with such apprehensions, your Petitioners cannot

look with indifference upon, nor conceal from your Honourable House the perilous condition of those surrounding multitudes whose subsistence from day to day depends upon the prosperity of the cotton trade. Already the million have raised the cry for food. Reason, compassion, and sound policy demand that the excited passions be allayed, otherwise evil consequences may ensue. The continuance of the loyal attachment of the people to the established institutions of the country can never be permanently secured on any other grounds than those of universal justice. Holding one of these eternal principles to be the unalienable right of every man, freely to exchange the results of his labour for the productions of other people, and maintaining the practice of protecting one part of the community at the expense of all other classes, to be unsound and unjustifiable, your Petitioners earnestly implore your Honourable House to repeal all laws relating to the importation of foreign corn and other foreign articles of subsistence, and to carry out to the fullest extent, both as affects agriculture and manufactures, the true and peaceful principles of free trade, by removing all existing obstacles to the unrestricted employment of industry and capital.

This memorial was accepted by an immense majority of the members, and its adoption was followed by the immediate resignation of the President and some of the members of the Board. What followed is best told in the words of Mr. Henry Ashworth ("Recollections of Richard Cobden, M.P., and the Anti-Corn Law League") :—

It was now seen to be necessary to follow up the action of the Chamber of Commerce by a special organisation, and a small body of thoughtful men, under the influence of Mr. John Benjamin Smith and Mr. Archibald Prentice, including Mr. Cobden, Mr. (afterwards Sir) Thomas Bazley, Mr. William Rawson, Mr. W. R. Callender (Senior), my brother Edmund, and myself, met for consultation. This little company was very soon joined by other influential gentlemen, and assumed the title of the Anti-Corn Law Association.

Shortly afterwards the movement thus set on foot was reinforced by so many adherents from all parts of the country that its operations—and it may be added its funds—were greatly enlarged, and it became "The National Anti-Corn Law League," gathering into its ranks statesmen and able writers, as well as business men. Through seven long years this historical organisation toiled, at the cost of immense sacrifices of labour and money, until in 1846 the stronghold was taken, and the triumph of Free Trade in the United Kingdom was assured. It was a purely intellectual victory, gained by the steady accretion to the ranks of Free Traders of men, high and low, who had previously opposed them, until at last the leader of the hosts against whom they had fought—Sir Robert Peel himself—

came over to their side. In announcing his resignation as the head of the Administration a little later Sir Robert said :—"The name which ought to be, and which will be, associated with the success of these measures is the name of a man who, acting, I believe, from pure and disinterested motives, has advocated their cause with untiring energy, and by appeals to reason, expressed by an eloquence the more to be admired because it was unaffected and unadorned—the name of Richard Cobden."

How complete was the conversion of Sir Robert Peel, and how thoroughly he cut away the ground from under the feet of anyone who might afterwards desire to hark back to Protection in any form or in any degree, is clearly shown in a speech made by him in the House of Commons on July 6th, 1849, three years after the repeal of the Corn Laws. Anticipating the misgivings which Englishmen might entertain in future years because foreign nations would refuse to follow our example, a refusal which he confidently foreshadowed, Sir Robert said :—"No doubt it would be for the advantage of trade—for our own advantage, and for the advantage of the countries with which we deal—that [their] hostile tariffs should be reduced. Unquestionable as would be the benefit derived from their reduction, still, if that benefit cannot be obtained, I contend that by the attempt at retaliation you would aggravate your own loss."

This policy of Free Trade, clearly outlined by Adam Smith in 1776, and quickly embraced by William Pitt, commended by the petitions of the London merchants and the Edinburgh and Manchester Chambers of Commerce in 1820, and advocated in Parliament by Mr. C. P. Villiers from that year onward, became for the first time the object of a resolute effort to attain it. That effort began in the Manchester Chamber at the memorable meetings of December, 1838. To the course then taken the Chamber has ever since consistently held on. Waves of temporary reaction have occasionally swept over the country during the last sixty years, and slight ripples have appeared amongst its members; but there has been no deviation on the part either of the Board of Directors or of the members generally from the position taken up when the memorial to Parliament in favour of Free Trade, already quoted, was adopted.





EDMUND ASHWORTH,  
President 1875-1877



BENJAMIN ARMITAGE  
President 1878, 1879, and 1880



JOHN SLAGG,  
President 1881



GEORGE LORD  
President 1882-1883



## CHAPTER IX.

Prevailing Errors about the Manchester School—Cheap Food and Low Wages—Factory Legislation—The Colonies and the Mother Country.

TO the brief sketch, given in the last two chapters, of the work of the Chamber since 1820 in the direction of removing obstacles to Commercial and Industrial progress, it may be well to add some observations bearing upon cognate problems which still lie before us.

In the course of current discussions old controversies are constantly reappearing in new forms, and sometimes important historical questions crop up. It is said, for example, that the men who fought for the abolition of the Corn Laws were actuated mainly by a desire to secure cheap food for the working factory population, in order that wages might be reduced. This charge was often levelled at them during the progress of the agitation, and it has been frequently repeated even to this day. Quite recently the writer of a book on Commercial Education restated it, thus assisting to fix in the minds of young people, as if it were simple historical truth, a statement which is utterly destitute of foundation.

It is fitting, and may be of service in the interests of historical accuracy, to call attention to the fact that the charge was not only repeatedly refuted at the time, but also that the leaders of the Anti-Corn Law Movement contended that the removal of the import duties on food products would have the effect of actually raising wages. In the very first speech made in the House of Commons by Mr. Cobden, on August 24th, 1841, this view was set forth in the clearest terms. The charge had been brought by Lord Stanley, afterwards Earl of Derby, in the course of an election contest in North Lancashire. He had said that "the manufacturers wanted to repeal the Corn Laws because they wanted to reduce the rate of wages." Mr. Cobden answered: "If I know anything, the repeal of the Corn Laws means increased trade and the claim of a right to exchange our manufactures for the corn of all other countries, by which we should very much increase the extent of our trade. How can this be

"done unless by an increased amount of labour? How can we call into requisition an increased demand for labour without also increasing the rate of wages?"

A little later, on 24th February, 1842, Mr. Cobden found it necessary again to set forth in the House of Commons the views of the Anti-Corn Law leaders on this subject of wages and the prices of food. Part of his language on this occasion is worth quotation in full, not only because it refutes the doctrine falsely attributed to him and his friends, but also because it states quite clearly another doctrine about wages which has only in recent years gained wide acceptance, as if it were a new discovery—the doctrine that high rates of wages accompanied by superior efficiency are more economical than low wages, and consequently that what is called low priced labour involves greater cost of production than what is called high priced labour.

"Do you think," said Mr. Cobden, "that the fallacy of 1815, which I heard put forth so boldly last week, that wages rose and fell with the price of bread, can now prevail in the minds of working men, after the experience of the last three years? Has not the price of bread been higher during that time than for any three consecutive years for the last twenty years? And yet trade has suffered a greater decline in every branch of industry than in any preceding three years. Still there are hon. gentlemen on the other side of the House, with the Reports of Committees in existence and before them proving all this, prepared to support a bill, which, in their ignorance—for I cannot call it anything else—they believe will keep up the price of labour.

"I am told that the price of labour in other countries is so low that we must keep up the price of bread here, to prevent wages going down to the same level. But I am prepared to prove, from documents emanating from this House, that labour is cheaper here than in other countries. I hear a sound of dissent; but I would ask those who dissent, do they consider the quality of the labour? By this test, which is the only fair one, it will be proved that the labour of England is the cheapest labour in the world. The Committee on Machinery, last session but one, demonstrated that fact beyond all dispute. They reported that labour on the Continent was actually dearer than in England in every branch of industry. Spinners, manufacturers, machine makers, all agreed that one Englishman on the Continent was worth three native workmen, whether in Germany, France, or Belgium. If they are not, would Englishmen be found in every large town on the Continent? Let us go to any populous place, from Calais to Vienna, and we should not visit any city with 10,000 inhabitants without finding Englishmen who are earning thrice the wages the natives earn, and yet their employers declare that they are the cheapest labourers. Yet we are told that the object of the repeal of the Corn Laws is to lower wages here to the level of Continental wages.

"Have low wages ever proved the prosperity of our manufactures? In every period when wages have dropped, it has been found that the manu-

facturing interest dropped also; and I hope that the manufacturers will "have credit for taking a rather more enlightened view of their own interest than to conclude that the impoverishment of the multitude, who are the "great consumers of all that they produce, could ever tend to promote the "prosperity of our manufactures. I will tell the House, that by deteriorating "that population, of which they ought to be so proud, they will run the risk "of spoiling not merely the animal but the intellectual creature, and that it is "not a potato-fed race that will ever lead the way in arts, arms, or commerce. "To have a useful and a prosperous people, we must take care that they are "well fed."

Another reproach occasionally cast upon the Manchester School, including the Manchester Chamber, is that it was for a long time strenuously opposed to the legislative restriction of the hours of labour in factories. This question was at a very early stage of the movement fully and earnestly considered by the Chamber. The subject was novel, and the proposed legislation constituted a departure from long established notions of individual freedom. Nevertheless the Board of Directors took up a position toward it, which, though not so decided as that which every man of common sense now occupies, is enough to remove all ground for the reproach. In a resolution adopted by the Board of Directors, on 30th March, 1825, it was acknowledged as possible that the introduction of machinery in manufactures afforded a stronger inducement to employers than that formerly existing "to work their people to excess," and that "the "Factory System also renders the labourer less able to regulate "his hours of work according to his inclination and his physical "powers." It was further admitted that legislative interference might be regarded as reasonable; but, it was held that such interference should be general, and that one particular branch of factory labour—the cotton industry—should not be singled out for its operation. If this language seems, in the fuller light of to-day, to be a little hesitating it must be remembered that the application of steam power to machinery, and the organisation of labour in methodical manufacture, requiring regulated, and, so to speak, continuous application, was even then a new thing in the world; and that the necessity of legislative control was not denied. It was, indeed, admitted as a possible consequence of the development of the factory system.

There is a further question which calls for notice in these pages. The Manchester Chamber, between 1820 and 1840, frequently protested against the preference shown toward

colonial products in the home customs tariff of those times, and against the preference given to the products of one part of the Empire as against those of another, as, for example, when West India Sugar was admitted at much lower rates of duty than East India Sugar. The attitude thus taken up was based upon purely economic grounds. It has been represented, however, together with other acts and declarations of the Manchester School, as involving a doctrine about the Colonies in favour of the dismemberment of the Empire. This supposed doctrine has recently been attributed to it by no less an authority than the present Prime Minister.

In the course of an address delivered at a meeting of the Primrose League, held in London on May 9th, 1900, Lord Salisbury referred to the sentiment of unity now happily prevailing throughout the British Empire in the following terms :—

“ There is no incident in the history of opinion so striking as the sudden change which has taken place during the latter half of the century in the view which the people of this country take in regard to the Empire which they possess. There was a time when they thought little of it—nay, when they absolutely repelled it as a burden. That was the doctrine of the well-known Manchester School, and at one time the doctrine was almost dominant in the constituencies of this country. It received its great support and its final development at the hands of a man of splendid genius—Mr. Gladstone. But under his hands it received that development which aroused the feelings of the people, which produced a strong reaction, and which so completely condemned the doctrine he had sustained that no one is courageous enough now to support the doctrines of the Manchester School.”

That a change has taken place not only in the imperialist sentiment of the people of this country, but also in that of the Colonies, is as gratefully acknowledged by the representatives of the Manchester School to-day as it is by others. But it is impossible to accept Lord Salisbury's version of its history. The plain meaning of his version is this: The Manchester School taught that the Colonies and dependencies of the United Kingdom are a burden to the Mother Country to be got rid of with all convenient speed; that this doctrine for a time pervaded the British constituencies; and that, arising out of the disastrous consequences to which it was visibly leading us, a process of reaction has set in. Thus, the exponents of the doctrine are credited with bringing about the present imperialist sentiment, since it was the disgust resulting from the practical adoption of their teaching which induced conversion, and the choice of new paths and a better policy.



JAMES FREDERICK HUTTON,  
President 1884-1885.



GEORGE HENRY GADDUM,  
President 1886-1888.



HENRY LEE,  
President 1889, 1890, and 1891.



JOHN THEWLIS JOHNSON,  
President 1892.





Now if the doctrine that the colonies and dependencies are a burden to be thrown off was ever taught by the Manchester School, it must be found in the speeches and writings of Cobden and Bright. But before these can be intelligently examined in their bearing upon the subject, it is necessary to understand, at least in outline, the stage of development of British inter-imperial relations existing when they spoke and wrote.

The history of the Colonial policy of this country is marked by three well-defined periods. In the first, ending with the revolt of the American colonies, the outlying territories were administered largely for the benefit of the Mother Country, and by its appointees. In the second period, British control was somewhat relaxed, and a change took place in the fiscal and financial treatment of the Colonies. Much of their expenditure, and in particular, the cost of preserving internal order—that of military garrisons and defence against attacks of natives—was borne by the home treasury. Moreover, differential import duties greatly favouring Colonial produce in British markets were maintained for the benefit of the colonies. Thus, for example, the duty on foreign sugar imported into the United Kingdom was  $7\frac{1}{2}$ d. per lb., whilst on sugar from the Colonies it was only  $2\frac{3}{4}$ d. per lb. High duties were imposed on foreign timber, whilst those on colonial timber were very low, the effect of this difference being the almost complete exclusion of timber from the Baltic countries—Sweden, Norway, Finland, Russia, and Germany—and the monopolising of the British market by Canadian timber. It was estimated that the United Kingdom, which then used enormous quantities of wood in the construction of ships, in the erection of buildings, and for other purposes now largely served by iron and steel, was in effect taxed to the extent of from £1,000,000 to £1,500,000 for the benefit of Canada.

Thus, partly by contributions from the Imperial Treasury, and partly by the preferential Customs tariff, the people of these islands pursued a policy of doles or grants to the Colonies, designed to attach them to the Mother Country. At the same time large control over their administration was retained by the home Government.

The third period was marked by a relaxation of home authority, and the throwing upon the Colonies of the entire cost of their administration, except that of defence from purely foreign attack.

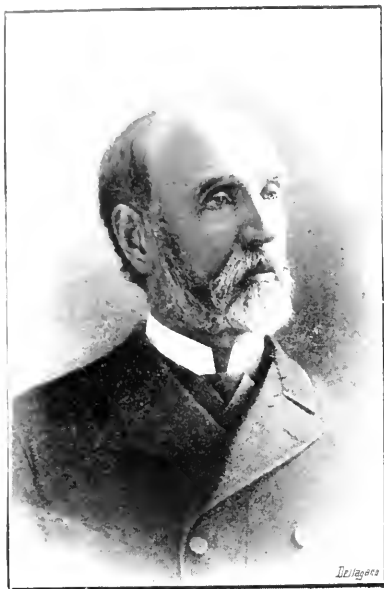
Thus the Colonies acquired at the same time greater freedom, and entire responsibility for the cost of their own government. This momentous change was the result mainly of the ideas associated with the doctrine of Free Trade, and it came about largely by the steady triumph of the teachings of the Manchester School.

This summary view of the history of our Colonial policy is confirmed by an authority whose weight will not be questioned. In the course of some lectures delivered before the University of Oxford in 1839, 1840, and 1841, during the second period just referred to, Professor Herman Merivale said:—

“When the Navigation Laws, as far as regards the Colonies, were greatly modified in 1824, no great change or disturbance of the Colony trade ensued. Things had found of themselves that level, which those laws were intended to maintain artificially. It is impossible to conceive a more direct contrast than that which exists between the British Colonial policy of late years and that of our ancestors. They cared, for the most part, little or nothing about the internal government of their Colonies, and kept them in subjection, in order to derive certain supposed commercial advantages from them. We give *them* commercial advantages, and tax ourselves for their benefit, in order to give them an interest in remaining under our supremacy that we may have the pleasure of governing them.”

This last sentence describes, succinctly and precisely, the relation of the Mother Country to the Colonies when the Manchester School arose. In so far as its doctrine touched Imperial questions the School aimed at two things:—first, the removal of the commercial and financial reliance of the Colonies upon the favours of the United Kingdom—that is to say, the economic independence of the Colonies,—and secondly, an extension of their powers of self-government, that is to say, their fuller political independence. Both reforms were advocated in the interests of the Colonies themselves as well as of the Mother Country. But there was a further consideration urged particularly by Cobden, in favour of the former, a consideration which Englishmen of this generation can hardly realise without an effort of the imagination. Before the repeal of the Corn Laws the masses of the people of this realm were much poorer than the bulk of the colonists of Canada or Australasia. Moreover, the wage-earners of these islands bore a much larger share of the taxation of the United Kingdom than they do now. Yet they were taxed, and taxed heavily, as in the case of the sugar duties, for the benefit of the Colonies. Cobden contended that it was not





SAMUEL OGDEN.  
President 1893.



Sir F. FORBES ADAM, C.I.E.,  
President 1894.



JOHN ALEXANDER BEITH.  
President 1895.



ROBERT BARCLAY,  
President 1898-1899.

equitable to make the poor English working man—for he was very poor in the forties—sacrifice some of his small earnings in order that the wealthier colonist might be relieved of a portion of the cost of his own Government.

This doctrine of the Manchester School upon inter-imperial relations has long since been accepted, and nobody now doubts its wisdom. Grants from the home Exchequer for purely colonial purposes have ceased, and no preference is shown at our Custom houses to colonial produce. Moreover, the political powers of the self-governing Colonies have been greatly enlarged. The “doctrine” has become practice, with the happiest results. Never before was the attachment of the Colonies to the Mother Country so warm or so cordial as it is to-day. The unity which our forefathers sought to gain by retaining control over them through the inducement of grants and commercial favours was not to be attained in that way. It has been secured by conferring political freedom and self-government, and by the withdrawal of bounties and privileges which, as Professor Merivale very clearly saw, bore an unpleasant resemblance to bribes. It has been abundantly made manifest that liberty and self-reliance are a better foundation for imperial unity and abiding loyalty than supremacy gained at the price of financial endowment and commercial privilege.

We are now in a position to weigh intelligently the opinions of Cobden and Bright upon the relations between the Mother Country and the Colonies. Speaking at Manchester, on January 10th, 1849, Mr. Cobden said:—

“People tell me I want to abandon our Colonies; but I say, do you intend to hold your Colonies by the sword, by armies, and ships of war? That is not a permanent hold upon them. *I want to retain them by their affections.* If you tell me that our soldiers are kept for their police, I answer, the English people cannot afford to pay for their police. The inhabitants of those Colonies are a great deal better off than the mass of the people of England—they are in possession of a vast deal more of the comforts of life than those paying taxes here.”

In December of the same year Mr. Cobden summed up at Leeds his views as to colonial policy in the words: “Give to the Colonies self-government, and charge them, at the same time, with the expense of their own government.”

But let it be observed that Cobden objected only to charging upon the Mother Country the cost of maintaining internal order,

in ordinary times, in the several Colonies. This they now bear themselves, but when he spoke the cost was defrayed by the English people. To what lengths he was prepared to go in providing for the permanent defence of the Colonies at the expense of the Mother Country, may be learnt from another extract from one of his speeches, which supplies an answer also to other unfounded charges brought against the Manchester School. In one of his speeches at Rochdale, delivered in June, 1861, Cobden compared the relative strength of the French and British fleets, pointing out the unequalled responsibilities of the United Kingdom in having an enormous and scattered Empire to protect. He said :—

“All these things give us a right to have a navy somewhat in proportion to the French navy which we find to have existed if we look back over the past century. Nobody has disputed it. I would be the last person who would ever advocate any undue change in this proportion. On the contrary—I have said it in the House of Commons, and I repeat it to you—if the French Government showed a sinister design to increase their navy to an equality with ours; then, after every explanation to prevent such an absurd waste, I should vote £100,000,000 rather than allow that navy to be increased on a level with ours.”

Is this the language of a man who “absolutely repels the Empire as a burden”? Is it not rather a proof that the speaker earnestly desired to preserve it, and was prepared to preserve it at any cost to the home Treasury?

The ideas of Mr. Bright upon questions of Imperial policy were in general harmony with those of Mr. Cobden. They are to be found chiefly in his speeches upon India and Canada. We shall quote only from one of these, selecting a passage which, though it affords no support to Lord Salisbury’s dictum upon the Manchester School, has been referred to as entitling him to the name of “Little Englander.” He had more than once repudiated the charge that he wished to make the British Empire less. On March 23rd, 1865, in a discussion upon the Canadian fortifications Bill in the House of Commons, Mr. Bright said, at the outset of his speech :—“I agree with those members who say that it is the duty of a great Empire to defend every portion of it.” Later on he spoke in terms which we reproduce in full, because they contain a sentence expressing a private opinion of the speaker, the only one in all his published utterances upon





RIGHT HON. THE LORD MAYOR OF MAN HESTER, 1897.  
(J. FOULKES ROBERTS.)



which there could be even a pretence of justifying the bold statement of Lord Salisbury :—

"I suspect from what has been stated by official gentlemen in the present Government, and in previous Governments, that there is no objection to the independence of Canada whenever Canada may wish it. I have been glad to hear those statements, because I think they mark an extraordinary progress in sound opinions in this country. I recollect the noble Lord at the head of the Foreign Office on one occasion being very angry with me, he said I wished to make a great Empire less; but a great Empire, territorially, may be lessened without its power and authority in the world being diminished. I believe if Canada now, by a friendly separation from this country, became an independent State, choosing its own form of government—monarchical, if it liked a monarchy, or a republican, if it preferred a republic—it would not be less friendly to England, and its tariff would not be more adverse to our manufactures than it is now. In the case of a war with America, Canada would then be a neutral country, and the population would be in a state of greater security. Not that I think there is any fear of war, but the Government admit that it may occur by their attempt to obtain money for these fortifications. I object, therefore, to this vote, not on that account, nor even because it causes some distrust, or may cause it in the United States; but I object to it mainly because I think we are commencing a policy which we shall either have to abandon, because Canada will not submit to it, or else which will bring upon Canada a burden in the shape of fortification expenditure that will make her more and more dissatisfied with this country, and that will lead rapidly to her separation from us. I do not object to that separation in the least; *I believe it would be better for us and better for her.* But I think that, of all the misfortunes which could happen between us and Canada, this would be the greatest, that her separation should take place after a period of irritation and estrangement, and that we should have on that continent to meet another element in some degree hostile to this country."

With the exception of the single sentence just referred to there is no part of this quotation from which any English statesman of our day would dissent. Indeed, it may with truth be said generally of the teachings of the Manchester School upon Imperial policy, that their only misfortune is that they anticipated the judgement of the future. But that is their glory too. Those who aspire to lead in the national counsels should be prophets—discerners of the future. Judged by this standard the teachers of the Manchester School must be accounted amongst the most successful of statesmen; for their doctrines, often unpopular when they were uttered, have become the accepted principles of the rulers and people of the British isles.

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## CENTENARY CELEBRATION.

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### ADDRESS OF THE EARL OF ROSEBURY, K.G., K.T.

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THE Centenary of the Manchester Chamber of Commerce was celebrated on November 1st, 1897, by a great meeting of the members of the Chamber and their friends in the Free Trade Hall. Mr. W. H. Holland, President of the Chamber, presided, and was accompanied upon the platform by the Earl of Rosebery, to whom an enthusiastic greeting was accorded. There were also upon the platform Sir H. G. Bergne, K.C.M.G., Sir W. H. Houldsworth, Bart., M.P., Mr. C. E. Schwann, M.P., Mr. Lees Knowles, M.P., Mr. F. Platt-Higgins, M.P., Mr. S. R. Platt (High Sheriff of Lancashire), Mr. F. Cawley, M.P., Mr. W. J. Galloway, M.P., Sir Frank Forbes Adam, C.I.E., Sir Joseph Leigh, Mr. Robert Barclay, Mr. George Lord, Mr. S. Ogden, Mr. J. K. Bythell, Mr. W. Fogg, Mr. G. H. Gaddum, Mr. Henry Lee, Mr. A. E. Bateman, C.M.G. (of the Board of Trade), Dr. A. S. Wilkins, Mr. C. S. Agnew, Sir W. H. Bailey, Mr. B. Carver, Mr. J. B. Lonsdale, and Mr. J. Cheetham.

The SECRETARY (Mr. Elijah Helm) announced that letters expressing regret at their inability to be present had been received from the Marquis of Lorne, M.P., Mr. Arthur J. Balfour, M.P., Mr. J. W. Maclure, M.P., Sir J. T. Hibbert, the Lord Mayor of Manchester, the Mayor of Salford, and Sir Henry Howorth, M.P.

The CHAIRMAN, in his opening remarks, said he was anxious that the speakers should make their appearance on the platform exactly on the stroke of the clock, in order to show the audience that they had not deteriorated in the matter of punctuality when compared with those who founded the Commercial Society, the precursor of the Chamber of Commerce, about one hundred years ago, for he found they were in the habit of meeting in

Slater's Tavern, somewhere near St. Ann's Square—within ear-shot of the clock of St. Ann's Church,—and when the clock struck the hour for the opening of the meeting, woe betide those who came late or who absented themselves altogether—they were fined one shilling. (Laughter.) But he thought one ought to explain that that fine could not be deducted from the salaries of the members of the Chamber, for that would have been a minus quantity, and he understood, from a search of the archives, that the treasurer never could get those who were so fined to pay up. (Laughter and cheers.) Usually it was expected of the President of a Chamber of Commerce that he had devoured and digested the Board of Trade returns: that he had mastered the figures of the Bankers' Clearing House, and had Railway Traffic returns at his finger-ends. These, they did not need to be told, were a pretty fair index of the volume of trade. But to-night, if they did not mind, and if their friend Mr. Bateman, who was here from the Board of Trade, did not mind, they would send Board of Trade returns to the winds for the time being. He was sure he expressed their views when he said they were deeply grateful to Lord Rosebery for his presence. (Cheers.) Lord Rosebery was not himself a trader, but they could not forget that he rendered very signal service to a highly important trade when in 1893 he settled the coal strike. (Cheers.) And he doubted whether the public could possibly hear better news than that someone was about to render a like service in the case of the great engineering dispute. (Cheers.) The Chamber was also very grateful to the commercial public of Manchester for their support. In the present year there were 1,600 members, making this one of the largest Chambers of Commerce either in this or in any other country. He did not think the present Board of Directors was behind any which had preceded it in the desire to benefit the trade of this district. Anyhow, if the members of the Chamber were dissatisfied with any of the Directors, it was almost as easy to get rid of him as it was to get rid of a member of Parliament, because the time came when the Directors were to be re-elected or their places taken by others. In the *personnel* of the Board they could claim no fixity of tenure, but they could claim fixity of purpose for the different Boards of the Chamber as they succeeded each other, that purpose being to further the

commercial interests of this great centre, and to that end they spared themselves neither night nor day, neither late nor early, neither winter nor summer. He wished to speak modestly of the work of the Chamber, and yet, in justice to their predecessors, it was right to say that they had influenced much of the commercial and fiscal legislation of the country. The Chamber had been ever vigilant when Bills had been introduced into Parliament which had in any degree affected trade or commerce. ("Hear, hear.") They did not need to be told that it was not every Bill that was introduced into Parliament that was a good Bill. Every man with Parliamentary experience knew that, and the more that Parliamentary experience had been, the better he knew it. The Chamber had made it its business to hinder the bad Bills and to help those which, in its judgment, had been good Bills. The Chamber had been usually on the alert when tariff legislation had been on foot, here or abroad, and when treaty negotiations had been in progress they had given expert advice. The Chamber assisted in the removal of the import duties on raw cotton, and its influence was largely exercised in finally sweeping away the monopoly of the East India Company. By its help the paper duties were repealed, the cotton supply was greatly enlarged, and the quality of the cotton greatly improved. By the exertions of that Chamber the postal arrangements in this district were also greatly enlarged. Time was when a single sheet of paper was charged as a separate letter, but the Chamber was up in arms against that arrangement. But he thought they would agree with him that the biggest task to which the Manchester Chamber of Commerce ever applied itself was the repeal of the Corn Laws. (Cheers.) They would, he dared say, hear a good deal about that important subject directly from Lord Rosebery. For his own part, he would but remark that the seed which was sown fifty years ago had been yielding a harvest ever since. Not once a year, nor once a month, nor once a day, but whenever they took a meal, every man, woman, and child continued to reap that harvest. ("Hear, hear.") He thought they might have confidence in their Chamber to enter the lists and to fight their battles again, if ever an attempt should be made to reverse the fiscal policy of this country, which was inaugurated fifty years ago. (Cheers.) He would not attempt the invidious task of mentioning those

names which had contributed in the greatest degree towards the achievement of the important task which that Chamber had achieved in years gone by, though he thought he should name Sir Thomas Bazley, who himself held the office of President of the Chamber for a longer period, he thought, than any other. Nor would he attempt to mention the names of those who were so useful, so generous, and so devoted in connection with the Anti-Corn Law League. Some of those names were a household word in this County of Lancaster. Others there were whose work was out of sight, but who rendered a very real service to the League, in that they kept it alive at a time when otherwise it might have gone spark out. In Bunyan's "Pilgrim's Progress" they were told that in the house of the Interpreter a fire burned mysteriously—a fire which water could not quench. And why could it not be quenched? Because it was fed with oil from behind by an unseen hand. And so it was with many of those whom he could mention in connection with the Anti-Corn Law League, out of sight it might be, yet it was they who kept alive the flame by feeding it with the oil of their liberality. (Cheers.) The Chairman concluded by saying he would not trespass further on the time of the meeting, but would ask the audience to give a truly Lancashire welcome to the Right Hon. the Earl of Rosebery.

Lord ROSEBERY was received with prolonged and enthusiastic cheering. He said: Mr. Chairman, ladies, and gentlemen,—I am deeply grateful to you for the cordiality of your reception to-night. It is at any time an honour to speak in the Free Trade Hall to a great audience of Manchester citizens such as this is. But on this occasion I deem it a signal though rather an embarrassing distinction. I venture to think that there was among your cheers to-night a note of compassion when you received me. And I will tell you why. On such occasions as these, when you have the Free Trade Hall crowded to the roof, you expect from some eminent politician a controversial speech, spiced with epigram and possibly not removed from personality, which shall tickle the political palate of the audience and keep it in a state of agreeable excitement. But to-night we can have none of these things. This is one of those occasions which I think are somewhat too rare among

us, when great audiences meet together, composed of both, or perhaps I ought rather to say of all, the parties in the State,—(Laughter.)—from which, therefore, everything of a controversial kind is banished. (“Hear, hear.”) It is all very well to say, “Hear, hear,” but is the gentleman who says “Hear, hear” prepared to discourse for an hour on an uncontroversial topic with eloquence and vivacity before a crowded audience? (Laughter.) If he is, I am willing to give place to him.

THE CHAMBER OF COMMERCE: A HISTORICAL RETROSPECT.

Now, the occasion that we are met to celebrate to-night is of a very much more peaceful character. I have enumerated some of the disabilities under which I lie to-night, but I have not named what, after all, perhaps, is the greatest, that we are assembled to commemorate the centenary of the Manchester Chamber of Commerce, and it is not a centenary at all. I confess that when I ascertained from my friend the president that such was the case my courage almost failed me. How was I to come, in these days of epochs and anniversaries, to celebrate a centenary which had already long passed by? But the gloomy fact of the situation is this, that your centenary took place, not in 1897, but in 1894. The Manchester Chamber of Commerce, like many human beings, was vague as to the date of its birth,—(Laughter.)—and only discovered it recently in an accidental exploration. Well, after all, “better late than never.” It is a good occasion; it is a time that we must not neglect. We must never forget the foundation of the Manchester Chamber of Commerce, and it would have been better to defer the celebration for ten or fifteen or twenty years too late than not to commemorate it at all. (“Hear, hear.”)

The birth of the Manchester Chamber of Commerce took place in wild times of war and difficulty. The year 1794 found us in the midst of revolution; in the second year of a war with France, in the very commencement of a struggle which was destined to last for nearly twenty years. I can hardly imagine a more gloomy moment for the birth of so peaceful an institution as this. And what was it that the Manchester Chamber of Commerce set itself to do? Although it was patronised by the great men of Manchester of that day—the Peels and the

others—all that it attempted to do, or at any rate its primary duty, was this, to establish a black list of firms abroad with whom it was not safe to deal. And what was the result of this effort of Manchester in 1794? That black list contained only one name, and that name upon consideration was expunged. (Laughter.) I venture to think that was very creditable to Manchester in those days. We all of us have our black lists. (Laughter and applause.) There is not an individual in this hall who has not his confidential black list, who has not his political black list, who has not his literary black list, who has not his social black list, and who, perhaps, has not his financial black list. (Laughter and cheers.) But I venture to say there is not a single person here that is so fortunate as the Manchester Chamber of Commerce, and has only one name on the black list that he keeps in his innermost mind.

Now, no one, I think, could have augured from that humble beginning the imperial destiny, the cosmopolitan destiny, reserved for the Manchester Chamber of Commerce. (Cheers.) I pass over nearly half a century of work, useful work, employed in deputations to the Governments of the day, employed perpetually in the work of endeavouring to free commerce from its chains; and I come to the great critical epoch of your history, which was December, 1838.

#### ADVENT OF THE ANTI-CORN LAW LEAGUE.

Before December, 1838, two events had happened in Manchester which were destined to bear the most speedy fruit. In a small room over a stable in a Manchester hotel-yard there had met in October, 1838, seven men, who had then set on foot a resolution to form a league, which should not be dissolved till the Corn Laws were done away with. (Cheers.) About the same time Mr. Ashworth tells us in his history that he was walking with Mr. Cobden—I think it was in Liverpool—(Cheers.)—and they had been talking of these taxes, and Cobden stopped, and said, “I will tell you what it is, Ashworth, we will use the Manchester Chamber of Commerce as a lever for doing away with the Corn Laws.” (Cheers.) And what Cobden said he usually did; so he came to Manchester in December, 1838, and in two great meetings he beat the governing body of the Manchester Chamber of Commerce, which was

not so enlightened as himself, and he got the Chamber of Commerce to petition for a repeal of the laws relating to the importation of foreign corn and other foreign articles of subsistence. (Cheers.) Now, I think that that occasion reflects undying lustre on Manchester and its Chamber of Commerce. (Cheers.) Cobden himself said afterwards that "just as Jerusalem was with the origin of our faith, and just as Mecca was in the eyes of the Mahometans, so would Manchester be identified in the eyes of historians as the birthplace and the centre of the greatest moral movement since the introduction of printing." (Cheers.) There is no need to tell you here to whom you owe this achievement. You, sir, have dwelt in your introductory remarks on some of the names that occurred to you; but I venture to say that it is not necessary in Manchester, it would be almost impertinent on the part of a stranger to run over the Homeric list of names which constitute the glory of this movement. It would be still more difficult to give the full meed of approval to those unknown workers, those unknown givers, who swelled so largely the success of that movement. (Cheers.) There is one name, however, that we cannot forget to-night. That is the name of the Parliamentary pioneer of the movement, who was enabled to work for it before Cobden ever became a member of Parliament, who lives happy among us in a green and honoured old age, who is still a member of the House of Commons, and who still sits for Wolverhampton, the pedestal from which he urged that reform—I mean, of course, Charles Pelham Villiers. (Loud cheers.) This movement had another rare distinction. It produced a great poet and a great orator. The poet was Ebenezer Elliott; the orator was John Bright. (Cheers.) When one thinks of John Bright in this Free Trade Hall of Manchester, and of the eloquence with which he has thrilled it, one almost feels inclined to sit down or to leave the hall. But it is difficult for anyone who has had the honour of his acquaintance not to pay one word of tribute to his memory, as one knew him—to his geniality, to his kindliness, to his simplicity, to his inherent dignity, to his horror of all that was false, or cowardly, or untrue. (Cheers.) I think there is nothing in all the annals of our political history so completely and unalloyedly beautiful



as the political brotherhood of Cobden and Bright, the great twin brethren who slew the Corn Laws. (Cheers.) I suppose they each of them were to some extent the complement of the other. Each had in superabundance qualities which thrown into the common stock made an irresistible force. Cobden had the sagacity, the persuasion, the initiative; Bright the splendour and the eloquence. And he had something else. Bright, as you know, was a Quaker, but he was the most pugnacious Quaker that ever lived,—(Cheers.)—and I think we may say, without any fear of contradiction from any member of that peaceful and excellent sect, that the pugnacity of Bright had something to do with the repeal of the Corn Laws.

What then were the weapons with which this gigantic contest was carried on? It was not carried on with the arm of the flesh. "Our march," said the League, in its farewell manifesto, "has been stained by no blood, and our success is sullied by no tears." No, they slew their giant with the smooth stone from the brook of hard facts, and there is no more formidable weapon. When they started on their crusade it was no doubt to some extent a class crusade. It was the old crusade carried on by the townspeople against the country people. They would not have been able to raise the vast sums that they did for a purely abstract and philanthropic enterprise. But remember one or two things in connection with that. It very soon ceased to be a class agitation, and comprehended almost all classes of the community before it had achieved its victory. The next point is this, that if it was a class agitation, it was a class struggle in more senses than one, because it was a class fighting against a class—it was the commercial class fighting against the landed class. And, in the third place, I would have you to remember that what money was raised even by an appeal to class interest was spent, not in corruption, but in enlightenment. What it did was to bring home to the nation the facts of its own situation. Well, these facts, as I have said, were deadly weapons.

#### CONDITION OF ENGLAND BEFORE FREE TRADE.

Never, I think, was the condition of England so gloomy, not even during the great war against France, as it was at the time

when this agitation was taken up by this Chamber of Commerce. Let me give you two or three facts, very elementary facts, or I would rather say let me recall them, because they are probably known to you. There were 20,000 persons in one place whose average earnings were only 11 $\frac{3}{4}$ d. a week; there were 10,000 in another who were on the verge of starvation. In Manchester 116 mills and other works were standing idle; 681 shops and offices were untenanted; 5,492 dwellings were unoccupied. In one district of Manchester there were 2,000 families without a bed among them, 8,666 persons whose weekly income was only 1s. 2 $\frac{1}{2}$ d. In Stockport 73,314 persons had received relief whose average weekly income was 9 $\frac{1}{2}$ d. Some grim humourist had chalked up on a shutter in that town, "Stockport to let." Carlyle sums it up in a sentence: "So many hundred thousands sit in the workhouses, another hundred thousand have not got even workhouses; and in thrifty Scotland itself, in Glasgow, in Edinburgh city, in their dark lanes, hidden from all but the eye of God, and the rare benevolence of the minister of God, there are scenes of woe and destitution and desolation such as one may hope the sun never saw before in the most barbarous regions where men dwelt." That was the condition of the commercial districts when Cobden and his band of brothers began their agitation, and when they fought their fight. Then came at last the Irish Famine, that great object lesson of the Corn Laws, that curse which was to breed a blessing, and under the shadow of that calamity the victory was won.

Well, the little meeting of seven people in a stable yard in Manchester was to overthrow one of the most powerful Governments and the most powerful interest which could be conceived in England. But what is strange and beautiful in the result is this—that the Minister whom they had overthrown, the Minister whom they had compelled and convinced and vanquished, shares the glory of the victory with them. (Cheers.) They were fortunate in that at the head of the Government there was a man like Sir Robert Peel,—(Cheers.)—one of the two Prime Ministers of this century who have been distinguished above all others by a true, tender, transparent political conscience. (Loud cheers.) He was one. I will not name the other. (Prolonged cheering, the whole audience

rising.) It was fortunate, as I say, for the League that Robert Peel was Prime Minister at that time, and it is certain that the name of Peel will go down united with the name of Cobden as the fathers and benefactors of this great movement. (Cheers.)

Ladies and gentlemen, you may well say to me, "All this was long ago, all this is done and achieved for ever; why recall it to us who know it so well?" I say, on the other hand, you cannot recall it too often, and on an occasion like this we should be almost sinners if we did not commemorate it. Standing in this hall, built on the very site of the massacre of Peterloo, on this historic spot, on this historic occasion, we cannot too well remember what that fight was and from what it saved us. (Cheers.) I will tell you one thing, at least, from which it assuredly did save you; it saved you not merely from starvation, but it saved you from revolution. ("Hear, hear.") Mr. Bright in 1845 said, and said with truth, "There is no institution in this country—the monarchy, the aristocracy, the Church, or any other whatever—of which I will not say, attach it to the Corn Laws, and I will predict its fate." And who can doubt that at the time he spoke, with the condition of things that I have described, and with the revolution of 1848, which shook every throne and every constitution in Europe but ours, looming ahead, who can doubt that if the beneficent change of 1846 had not taken place, that a revolution would not have been the result in this country? (Cheers.) That is one supreme result. There is another, also a negative result, which I can describe by a single distortion of a sentence. Lord Melbourne, on a famous occasion in the House of Lords, said that he had heard of many mad things, but, before God, the idea of the repeal of the Corn Laws was the maddest he had ever heard of. (Laughter.) Well, if you substitute for the word "repeal" the word "re-enactment," you have, I think, one certain result of the agitation of Cobden. ("Hear, hear.") Of all the mad things we have heard in our days, the re-enactment of the Corn Laws is the maddest we can possibly conceive. (Loud cheers.)

Now, it is always well, I think, not to overstate your case. It must be perfectly clear to us all that in the ecstasy and in the enthusiasm of this great revolution, men hoped from it more than it has been able to accomplish. It has not, for example,

produced peace and disarmament. I do not care to measure the extent or the density of the thick war-cloud which broods over Europe. I do not care to compute the number of millions of armed men who stand ranged in battle array, face to face, on the continent of Europe, like bewitched armies, waiting only the evil spirit to rouse them into life and being;—(Cheers.)—but at any rate we can say this, that if the increase of armies has gone on by gigantic strides since the repeal of the Corn Laws, that is not due to Free Trade; but, on the other hand, those very military preparations have led those countries far from Free Trade into fiscal errors, as we believe them to be, to the hampering of their trade, the restriction of their commerce, and the imposition of protective duties which we believe to be detrimental to their industry. (“Hear, hear.”) Again, it is true that the sanguine expectations of the promoters of Free Trade have not been realised, because they have found very few imitators in the world. But Cobden did not demand imitation as a condition of success. He declined to be judged by imitation as a test of his success. He said, “If Free Trade be a good thing for us we will have it. Let others take it if it be a good thing for them; if it be not, let them do without it.”

#### FREE TRADE AND AGRICULTURE.

Well, there is another point on which I think some of our friends think that Free Trade has been a failure. I mean with regard to the agriculture of this country. (“Hear, hear.”) I hear a faint ripple of applause. I do not know if it comes from a distressed or a reassured agriculturist, but I am perfectly certain that this hall will be a building even more exceptional than I think it is if it does not contain an agriculturist who is full of complaints. For, after all, the first necessary condition of agriculture—and I say it not with a smile, but in grim earnest—is that it always has complained, that it always must complain, and that it always will complain. From the times of Theocritus and Virgil, and even from further back—I suspect, from the time when Adam delved—agriculture had been in a state of complaint. (Laughter.) And who can wonder at it? I say in perfect gravity that that is a necessary condition of a trade or calling which is at the mercy of every whim and humour of Nature. There is no conceivable weather which will suit

every crop, and farmers look on all weathers with impartial foreboding. (Laughter.) What may secure a wheat harvest may ruin roots; what may swell a swede may drown an oat. (Laughter.) Innumerable diseases haunt animals and crops. A poisonous beast may taint the cattle of a nation; a sick potato may starve a race. It is impossible to put any limit to the afflictions which in the ordinary course of Nature, without any interference from Art, harass the agriculturist. When he has an abundance, prices fall. When prices rise, there is nothing to sell. (Laughter.) You laugh, but it is no laughing matter. I am a landowner and a farmer, and for such it is a long tragedy. And if you put aside even what Nature has done as against the farmer, you have besides what is even more ruinous: the increasing means of communication—the great steamers that cross the ocean and bring to our markets the abundant harvests of Australia, India, America, and Russia. Farmers are now not Scottish or English, or Welsh or Irish; they are cosmopolitan. They contend in the markets, not with their neighbours or with those of the adjoining counties, but with distant and virgin regions of the world. Altogether, I confess I think that the complaints of agriculturists are more well-founded than complaints of a class usually are. Agriculture suffers under Free Trade, and has always suffered since the Garden of Eden, and will always suffer. But the question is with us to-night: Is agriculture worse off now than it was under the operation of the Corn Laws? Now, as far as we can judge, farmers are better off than they were before the repeal of the Corn Laws. (Cheers.) They live now at a much higher standard, they pay a much lower rent, their purchasing power is vastly increased by Free Trade. And what was the condition of the farmers of England before Free Trade? There was a Committee of the House of Commons that sat in 1836 to consider the condition of agriculture in this country. It sent up a report which was an account of almost universal ruin and almost universal insolvency. From such counties as Lincoln, Middlesex, Surrey, Sussex, Northampton, and Suffolk there came the statement that farmers were paying their rent out of capital. From Buckinghamshire it was positively asserted that a great many of the farmers had failed, and that at least half of the remainder were insolvent. Of the tenantry of Norfolk, Suffolk, Essex, and

Cambridgeshire, the same, or worse, was testified. They were "verging on insolvency—the most desperate state men can be in." And so forth; it is unnecessary to multiply monotonous testimony.

Well, then, the next class that we have to consider are the labourers. Is it not perfectly true that the labourers, though their condition is not what it should be in the agricultural districts even yet, are infinitely better off than they were before 1846 in wages, in purchasing power, and in the dwellings they inhabit? Go into the country districts on a Sunday, and you will see a well-dressed population of labourers and their families that you can scarcely distinguish from the best in the neighbourhood. But what was the condition of things before the repeal of the Corn Laws? There is in a book that I recommend you to read—if you have leisure to read a work of two volumes on a political subject,—Mr. Jephson's "History of the Political Platform," a most pathetic account, taken from *The Times* newspaper of that date, of a meeting of the agricultural labourers of Wiltshire in January, 1846, four or five months before the repeal of the Corn Laws was actually achieved. Will you pardon me if I read one or two sentences from it? "The chairman was a labourer; the speakers, with the exception of two, were labourers. The object in view was to call public attention to the present condition of the labouring population in this part of the country, and to petition Her Majesty and the Legislature to take decisive steps for the speedy relief of their extreme distress. The meeting was to have been held in a large booth erected in a field, but the great expense of providing such accommodation was beyond the combined contributions which these poor people could spare from their very scanty means, and therefore they were compelled to assemble together in the cross-road of the village, and to endure the inclemency of a winter night, while they talked over their common sufferings. The whole of the arrangements and proceedings were strikingly characteristic of the occasion. A hurdle, supported by four stakes driven into the ground beneath a hedge on the roadside, formed a narrow and unsteady platform, capable of supporting only the chairman and one speaker at a time. . . . Four or five candles, some in lanthorns, and others sheltered from the wind by the hands

that held them, threw a dim and flickering light upon the groups on this spot, before and around which were gathered nearly 1,000 of the peasantry of Wiltshire. . . . In the shadows of the night the distinctive garb of their class was everywhere discernible, but when the flittering clouds permitted the moon to shine brightly in their faces, in them might be seen written, in strong and unmistakable lines, anxiety, supplication, want, hunger. . . . One speaker said: 'I don't know much of the Corn Laws, only that they ha'n't done we labourers much good. It is a long time till July next, before we get new potatoes; and unless something turns up for we poor creatures, starvation stares us in the face on both hands.' Another speaker said: 'There was nothing left for them now but starvation or Free Trade.'" Well, I do not think that that description requires any enlargement, or that anybody who reads it will doubt that the condition of the agricultural labourer was infinitely worse before the repeal of the Corn Laws than in our time. (Cheers.)

Then there are the landlords. I feel like the man in the play, who says: "Ha! thou hast touched me nearly." (Laughter.) But I will only make one remark upon the landlords. Their rents have undoubtedly fallen since the means of communication have so greatly improved between foreign countries and ourselves; but I have only one comment to make upon that, and it is this, that the interests of the nation cannot be sacrificed to the interests of a class,—(Cheers.)—and though I feel the deepest sympathy with the sufferings of many landlords whose cases I know, yet I believe they would be the first, in a spirit of patriotism, to deny any claim that the nation should be sacrificed to them. ("Hear, hear.") I must also make one further remark: that, so far as we can judge from inquiry, the condition of agriculture in foreign countries, in spite of bounties and in spite of protective duties, is not much better, and in some cases is certainly worse, than the condition of agriculture in Great Britain under Free Trade. (Cheers.)

#### COMMERCIAL RESULTS OF FREE TRADE.

But there is one point as to which the results of Free Trade are absolutely unmistakable, and they are the commercial results. May I read to you two sets of figures, which will

show this in a moment. In 1846—the year when the Corn Laws were repealed—the total imports of this country were about £76,000,000 sterling in value. They are believed to have been somewhat overrated, but certainly were not underrated. In 1896, after fifty years' operations of Free Trade, they are £441,802,000, showing an increase of £365,855,000, or 481 per cent. The total exports in 1846 were £74,000,000; in 1896 they were £296,370,000, showing an increase of £222,250,000, or 300 per cent. The exports of British and Irish products in 1846 were £57,786,000, nearly £58,000,000; in 1896 they were over £240,000,000, or £182,000,000 more, showing an increase of 315 per cent.; and the exports of foreign and colonial productions were £16,296,000 in 1846, and £56,233,000 in 1896, showing an increase of about £40,000,000, or 245 per cent. (Cheers.) Now any comment on those figures would rob them of their importance and their weight. They are more like a fairy tale than the sort of statistics that they turn out from the Board of Trade; but they are literally and exactly true, and they are largely due to the work which was done by Villiers, Cobden, Bright, and Peel. (“Hear, hear.”)

But there is one effect of Free Trade which may seem strange and paradoxical to you, but on which I, for my part, lay the very greatest stress. I believe that one of the most important effects of Free Trade has been the maintenance and the consolidation of the British Empire. (“Hear, hear.”) Now, I fear that this may seem strange and paradoxical to those who have been brought up in the belief, which is commonly asserted, that Cobden and what is called the Manchester School were hostile or indifferent to the existence of the Empire. But Cobden's own testimony on this point is simple and direct enough. He says, “People tell you I want to abandon our colonies, but I say, ‘Do you intend to hold your colonies by the sword, by armies and ships of war?’ That is not a permanent hold upon them. I want to hold them by their affections.” (Cheers.) I think in that definition you must allow the word affections to include the word interests, because national affections which are not based on national interests are apt to be sterile plants. But I think that if you allow me that amplification, and allow that national affections shall include for this purpose national interests, you have a true and complete



definition of the best foundation of the British Empire. Under that policy, at any rate, the Empire has marched with seven-leagued boots, until in this year of grace we have been privileged to witness a moving panorama of empire, and, what is more, to receive the proposals of Sir Wilfrid Laurier, offering on behalf of Canada commercial facilities to the mother country for the avowed purpose of drawing us closer and closer together. (Cheers.)

#### FREE TRADE AND THE EMPIRE.

But I will explain in a moment to you why it is that, in my opinion, Free Trade has had so important an effect in maintaining and in consolidating this Empire. In the first place, it has produced the wealth that has enabled us to sustain the burden, and the burden of an Empire like ours must always be great as regards expenditure of energy and of money. Without Free Trade I venture to say that we should have been wholly unable to sustain it. In 1841, when Sir Robert Peel came into power, we were staggering under a much less burden than we bear easily now, and staggering under it with deficits and with despair. We were then in a condition which bordered on revolution, and revolution means the dismemberment of our Empire. I venture, then, to say that both on the ground of maintenance and as having averted revolution, Free Trade has rendered enormous services to our Empire.

But these are not the sole services that Free Trade has rendered us. In my judgment, whatever that may be worth, Free Trade has preserved the Empire. The colonies, indeed, have not travelled very far in our wake with regard to our commercial policy. They know their own business best, and will work out their own salvation on their own lines. But I have an illustrious authority—perhaps the most illustrious outside these islands and inside the Empire—to sustain my view as to the preserving force of Free Trade upon our Empire. Sir Wilfrid Laurier said the other day: "There are parties who hope to maintain the British Empire upon lines of restricted trade. If the British Empire is to be maintained, it can only be upon the most absolute freedom, political and commercial. In building up this great enterprise, to deviate from the principle of freedom will be to so much weaken the ties and bonds which now hold it together." Well, that is a

view that I hold, and that I believe you hold in this hall. (Cheers.) I believe that anything in the direction of an Imperial commercial league would weaken this Empire internally, and excite the permanent hostility of the whole world. Now, I begin to feel that in approaching this subject I ought to tread tenderly and delicately, because, though the proposition has been often made, it has been recently made from a political point of view, and therefore I ought perhaps to avoid it altogether. I treat it, however, not with regard to its recent development—which is only its latest—but as regards the doctrine which has been held forth for many years by men of both political parties, that such a league is eminently desirable. I tread delicately near the subject for another reason, because I believe that the idea is dead. (“Hear, hear.”) I tread near it with the reverence due to a corpse. (Laughter and cheers.) Now, I respect all serious proposals for binding our Empire more closely together. A great part of my life I have been studying those proposals, and I respect their motive and try to support them, but this particular proposal, I believe, would have a directly contrary effect to that which its promoters claim for it. In the first place, it would be a disturbance of Free Trade. Free Trade need not be considered an idol or a fetish, but it is at all events the system on which our commercial greatness has grown up and developed, and he would be a rash man that would endeavour to lay hands upon it. (Cheers.) In the next place, the proposal, if I understand it rightly, would tend to interpose checks upon the free import of the food of the people. I believe that that is absolutely impracticable, but that if it were practicable and were done in the name of the Empire, it would only succeed in making the Empire odious to the working classes of this country. (Cheers.) And there is another objection, not less fatal—although it is external and not internal.

Gentlemen, I think it must have occurred to you that such an empire as ours cannot be built up without exciting great jealousies. The aggrandisement of nations is something like the aggrandisement of individuals. If you see a person who was very poor suddenly blossom out with a prodigious fortune you are apt to envy him, and further to believe that that fortune may not have been too honestly acquired. I suspect that something of the same sensation

comes over foreign nations when they look at the chart of the world and see how largely the British empire bulks in it. (Cheers.) That may be the reason—I know of no other, and certainly of no better,—that may be the reason for a fact which you must regard as one of the most salient factors in our foreign policy, in our Imperial policy—(“Hear, hear.”)—and in our relations with foreign nations—I mean the general envy and suspicion with which we are regarded abroad. Nothing is more amazing to the ordinary Briton than to discover the deep-rooted suspicion of our motives, of our policy, and of our action which is entertained towards us in foreign countries; a feeling, no doubt, with which we have sometimes regarded other nations, but which we are completely stupefied at discovering with respect to ourselves. You, I daresay, can scarcely understand it; you are conscious, as citizens of a great nation, of high, noble, and even chivalrous aims, and you cannot understand that in pursuing these aims the foreign observer is apt to suspect or think that he detects a trick. Well, I cannot lay too much stress on this point in regard to this subject. I am perfectly certain of this, and I think all your friends who travel will tell you the same, that we lie, for various reasons, under the deep and abiding suspicion of foreign nations. That is a central fact; and under the circumstances I ask you whether, with your extended dominions, and with all your liabilities, it is not well, while you walk strongly, to walk warily upon the path of empire? (“Hear, hear.”) Well, apply this fact to the proposal to which I have been alluding. Suppose, in the face of this suspicion that it were proposed to establish an Imperial Customs Union. I believe that to be an impossibility, but supposing it were possible, it would be something which would place all the nations of the world in direct antagonism to it—it is something which, if possible, they would all combine to destroy. We have of course a perfect right to do this, but, though all things may be lawful to us within our own borders, all things are not expedient; and I am discussing this now not as a question of right, but as a question of policy. My belief on this point is confirmed by something that happened this year. You will remember that this year we denounced our commercial treaties with Germany and with

Belgium—an innocent step, a simple step, and rendered a necessary step under the happy impulse of Canada. But throughout Europe, in every newspaper, in every country, there was a note of alarm at what we thought was an obvious and ordinary proceeding. They seemed to see an important departure involved; they seemed to see something portentous and menacing. And if that were the case—as it was—with regard to the denouncing of two commercial treaties, I ask you what the feeling of mistrust and suspicion would have been had we established, instead, an Imperial Customs Union? (Cheers.) Remember, gentlemen, that in these later days every savage, every swamp, every desert, is the object of eager annexation or competition; and what in that state of circumstances would have been the feeling created by the development of a new empire—for under these new commercial conditions it would be new—not like the Russian Empire, local though vast, but a world-wide Empire, surrounded by a Customs rampart, a challenge to every nation, a distinct defiance to the world? On the other hand, what is the state of circumstances as we have them now? Our Empire is peace, it makes peace, it means peace, it aims at peace. (Cheers.) Its extension under Free Trade is for the benefit of all nations. Its motto is the old one of the volunteers: “Defence, not defiance.” A scattered Empire like ours, founded upon commerce and cemented by commerce, an Empire well defended, so as not to invite wanton aggression, can mean and make for nothing but peace. We have on our side, in the long run, all that makes for peace and free commerce in the world. That is a fact that all nations know in their hearts. It is a fact that no wise statesman can hope to disregard. But an Empire spread all over the world, with a uniform barrier of a Customs Union presented everywhere, would be, in comparison—I will not say an empire of war, but a perpetual menace, or, at least, a perpetual irritation. (Cheers.)

I say, then, that our Empire is peace—that our Empire as at present constituted, under the wise guidance of a Free Trade policy, makes for peace, for commerce, and for enlightenment. Men in these days want little more than that; they are lucky if they get so much. (Laughter.) But that is not all. If you want your foundations to be sounder still, if you wish to dig

deeper and broader and stronger the foundations of this world-wide Empire, the home of all English peoples, you want something more even than peace and commerce and enlightenment. You must take care that the corner-stones of that majestic structure are not simply peace, but honour; honour and justice, and fair dealing to all, of whatever colour, who live within our borders. We as a nation have, I think, rarely been so fortunate as to obtain the affection of the subject races over which we rule, but we have at least earned their respect—we have earned their respect for upright government, for scrupulous truth, for straightforward dealing as between governor and governed. If we maintain this high standard of energy and patriotism, I fear nothing for that Empire of which we are privileged to form a part. (Cheers.) But we have the example of other empires before us, and if through any lapse on our part, if for any reason whatever it be written in the inscrutable decrees of Fate that we are to follow their example and to crumble and disappear, we can at least resolve this—that we will leave behind us a monument more splendid and more durable than any constructed by the Cæsars and the Pharaohs—the memory of an Empire of which the mottoes and the corner-stones were honour, and justice, and peace. (Cheers.) These, gentlemen, I venture to think, are the teachings of this hall and of this occasion. (Cheers.)

Mr. ROBERT BARCLAY, Vice-President of the Chamber of Commerce, moved a vote of thanks to Lord Rosebery for his presence that evening, and his instructive and inspiring address. In doing so, Mr. Barclay said they were all deeply indebted to Lord Rosebery for his kindness in coming and taking part in the celebration of this anniversary. In the splendid address he had given them, and in the way he had dealt with the great theme of Free Trade and the historic associations connected with it, he (Mr. Barclay) was sure that Lord Rosebery had had the full sympathy of that great audience. In view of the jealousies of Continental nations, Free Trade now, more than ever, had become an Imperial necessity. While foreign powers looked with jealousy at our vast colonial possessions, and joined in the scramble for new colonies to rival those which we possessed, each one of them,

apart from they themselves being the possessors, would rather see the new territories that were coveted in the hands of England than in the hands of any of their other Continental rivals, because they knew that under the British flag alone these markets, like all the other British colonies, would be as free for them to trade with as they will be for the British people. At the present moment foreign peoples were all watching our every movement with a jealous eye, and often gave a wrong interpretation to what we did, but we knew that in pursuing this policy we did not need to fear. There was all the more reason, however, for the solemn words with which the noble lord had concluded his address, and we must be careful that honour and justice and fair dealing to all who live under our rule should be carefully maintained.

Sir W. H. HOULDSWORTH, M.P., in seconding the resolution, said to some extent this might be called a local occasion, and they were the more grateful that, under such circumstances, Lord Rosebery, who was occupied with the higher regions of national life, should come among them. (Cheers.) The Chamber of Commerce was non-political. One party was in power to-day and another party might be in power to-morrow. (Laughter and cheers.) The Chamber of Commerce sought to make the best of both. Whatever fears Lord Rosebery might have about other parts of the country, he might feel safe that here we were Free-traders. (Cheers.) There might be an odd crank here and there,—(Laughter.)—but if there were a question of the reimposition of the Corn Laws or of other restrictions on trade, Lancashire would be solid against such proposals. (Loud cheers.)

Sir F. FORBES ADAM, C.I.E., said he rose with great pleasure and with the desire to speak with all the force he could put into words in support of the vote of thanks to Lord Rosebery. To the members of the Chamber of Commerce the present was a great and momentous occasion, and one which would long dwell in their memories. It had been made more important and lustrous to them, and would remain longer in their recollection on account of the presence of Lord Rosebery, and by reason of the splendid speech that he had delivered that night. Yesterday they regarded the celebration as merely local. To-morrow it would arrest the attention and attract the

interest of Europe. Lord Rosebery had drawn their attention to the achievements of the past, and as he listened to him he wished that the shades of the great and good men who dug the foundations on which their successors had built, and who laid the lines on which their successors had extended the work and influence of that Chamber, might have been allowed to revisit past scenes of their fruitful labours, and be present for a brief space that evening to hear what Lord Rosebery had said of their achievements, or that a message could have been transmitted to the Elysian fields—all good and true members of the Board of the Chamber when they died went to the fields of Elysium,—(Laughter.)—to tell them of what was passing among us to-night. He meant a message to those who had nobly fought and gallantly won the victory of cheap food, and freer and freer, and at last Free Trade for Britain, one of the chief and main sources of our commercial and industrial supremacy, and a precious possession which we would never willingly relinquish. (Cheers.) He expressed the hope which, he knew, was nearest to the hearts of all of them, irrespective of political faith and political view, that their distinguished guest had only been taking a breathing space, and that before long he would again, by his counsel and his wisdom, his experience, his great eloquence, and his high Imperial instincts,—(Loud cheers.)—seek to promote the welfare, happiness, and prosperity, not only of the people of our British Isles, but of the peoples of every country that floated the British flag and owned allegiance to the British Throne, and the peace of the world. (Cheers.) He thought it would be meet if the solemn words of Lord Rosebery's impressive peroration were written indelibly on the walls of every Chamber of Commerce in the country. Honour,—justice,—good faith,—fair dealing all round. With such watchwords as these the Empire must grow in power, majesty, stability, and strength. With such watchwords as these, come what may, this great Empire of ours would never dwindle or decay.

The resolution was carried with enthusiasm.

LORD ROSEBERY said in reply: I deserve no thanks from you for coming here, and I am overwhelmed by the graciousness of your expression of them. As Sir Frank Adam has reminded

you, I am not available for all purposes, but I considered it a sacred duty when I was asked—if you thought I was fit for it—to come and help to do honour to this signal and great occasion. (Cheers.) In my judgment some of the speakers have erred in speaking of this as a local celebration. To my mind there is no celebration so distinctly national. I sometimes think that, if we belonged to a faith that admitted of such pilgrimages, we should make pilgrimages to the shrine of Bright and of Cobden as among the great benefactors of their species and their race,—(Cheers.)—and therefore it is not very much to be asked, almost in the jubilee of the abolition of the Corn Laws, and almost in the Centenary of the Manchester Chamber of Commerce, to rejoice in your joy and to keep this solemn feast with you. Nothing could have given me more pleasure. (Cheers.)

Mr. A. E. BATEMAN, C.M.G., of the Board of Trade, in moving a vote of thanks to the Chairman, said he was deputed by the President of the Board of Trade, Mr. Ritchie, to attend and express his congratulations to the Chamber on the celebration of its Centenary. He pointed out the importance to the public departments, and especially to the Board of Trade, of having a focus of commercial opinion to guide them. A well organised Chamber of Commerce acted in this manner. Chambers of Commerce differed in importance and efficiency, but he knew of none where the functions of a Chamber were better performed than at Manchester. He saw before him many hundreds of the commercial community who were showing interest by attending that evening. In all probability many of them were not members. To them he would say, Join at once, and add to your own knowledge and the efficiency of the Chamber. The President of the Chamber had given an admirable introduction to Lord Rosebery's address, and the Board of Trade appreciated Mr. Holland's ability as they in Manchester appreciated it. As proof of this statement he might say that they had solicited his help at Paris in the French Treaty negotiations in 1881, when he was quite a junior. Their appreciation was also shown by his appointment as a member of the Commercial Intelligence Committee of the Board of Trade, and as British Commissioner for the forthcoming Paris Exhibition.







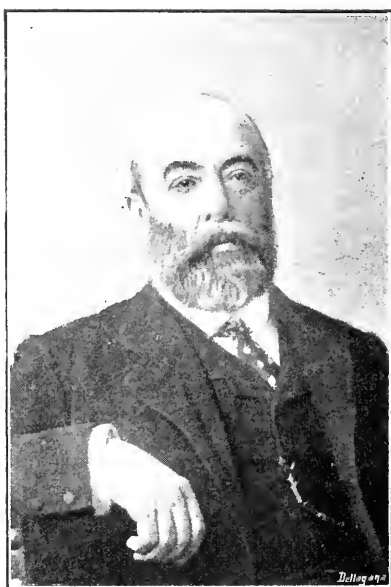
RICHARD JOHNSON,  
President 1874.



DUNCAN MATHESON,  
Chairman, Manchester Royal Exchange;  
Member of the Board of Directors.



Sir W. H. HOLDSWORTH, Bart., M.P.,  
Member of the Board of Directors.



HENRY HARRISON,  
President, Blackburn Chamber of Commerce;  
Member of the Board of Directors,  
Manchester Chamber.

Mr. C. E. SCHWANN, M.P., seconded the resolution, which was supported by Mr. LEES KNOWLES, M.P., and passed with acclamation.

The CHAIRMAN, in replying, said that the precise date of the Chamber's Centenary had gone by before it was discovered, and he was, as President, face to face with this curious dilemma—either they must celebrate the Centenary now, or wait about another hundred years to celebrate it, and as he had not patience enough for the latter alternative he embraced the former. (Laughter and Cheers.)

On the motion of Mr. S. OGDEN, it was agreed to send a telegraphic message announcing that celebration to Mr. C. P. Villiers, M.P.

This concluded the proceedings.

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The following is a copy of the telegram which was sent to the Right Hon. C. P. Villiers:—

*“Right Hon. Charles Villiers, 50, Cadogan Place, London, S.W.—A great public meeting, held in the Free Trade Hall, Manchester, to celebrate the Centenary of the Chamber of Commerce, desires to send you, as the surviving champion of the Repeal of the Corn Laws, the assurance of its hearty goodwill, respect, and gratitude.—ROSEBERY.”*

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